



Report of the  
**Transportation and the  
Environment Subcommittee**  
To the House Appropriations Committee

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2026 SESSION

Recommendations, Reductions, and  
Summary of Action Pertaining to:  
Senate Bill 282



**General Assembly of Maryland**  
**House Appropriations Committee**  
**Transportation and the Environment Subcommittee**  
**2026 Session Membership Roster**

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## Recommended Reductions

### Transportation and the Environment Subcommittee

Agency	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Ed Funds</u>	<u>Total Funds</u>	<u>Positions</u>
<b>2027 Budget Request</b>						
Department of Agriculture	-\$200,000	\$0	\$0	\$0	-\$200,000	0.0
Department of Information Technology	-2,281,450	0	0	0	-2,281,450	0.0
Department of Planning	0	0	0	0	0	0.0
Department of the Environment	0	-11,100,000	0	0	-11,100,000	0.0
Maryland Energy Administration	0	0	0	0	0	0.0
Maryland Department of Transportation State Highway Administration PAYGO Capital	0	0	0	0	0	0.0
LA. Public Service Commission	0	0	0	0	0	0.0
<b>Subtotal Fiscal 2027 Regular Budget</b>	<b>-\$2,481,450</b>	<b>-\$11,100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>-\$13,581,450</b>	<b>0.0</b>
<b>Fiscal 2027 Total Budget</b>	<b>-\$2,481,450</b>	<b>-\$11,100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>-\$13,581,450</b>	<b>0.0</b>
<b>Fiscal 2026 Deficiency Budget</b>						
<b>Total Fiscal 2026 Deficiency Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>Grand Total Budget Bill</b>	<b>-\$2,481,450</b>	<b>-\$11,100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>-\$13,581,450</b>	<b>0.0</b>

PAYGO: pay-as-you-go



**C90G00**  
**Public Service Commission**

**C90G00.01          General Administration and Hearings**

**Committee Narrative**

**Arrearage and Termination Data:** The committees remain interested in monitoring residential utility terminations and arrearages. The committees request that the Public Service Commission (PSC) submit two reports containing residential termination and arrearage data separately by utility and month. The first report should cover data from December 2025 through May 2026 and be submitted by July 15, 2026, and the second report should cover data from June 2026 through November 2026 be submitted by December 15, 2026.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Arrearage and termination data	PSC	July 15, 2026 December 15, 2026

**D13A13**  
**Maryland Energy Administration**

**Budget Amendment**

**D13A13.01      General Administration**

Add the following language to the special fund appropriation:

, provided that \$250,000 of this appropriation made for the purpose of administrative expenses may not be expended until the Maryland Energy Administration (MEA) submits a report to the budget committees with details on the department’s funding. The report shall provide details on the fiscal 2027 working appropriation and the fiscal 2028 allowance. The report shall detail for each budgetary program the programmatic activities by fund source within MEA. The report shall be submitted in conjunction with the release of the fiscal 2028 budget, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted

**Explanation:**      The General Assembly is interested in receiving MEA’s funding in detail. MEA did not provide this information in a timely manner, as requested by committee narrative in the 2025 Joint Chairmen’s Report. This language withholds funding until details on the department’s funding are provided with submission of the fiscal 2028 budget.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on MEA funding	MEA	With submission of the Governor’s Fiscal 2028 Budget Books

Add the following language to the special fund appropriation:

Further provided that \$100,000 of this appropriation made for the purpose of administrative expenses may not be expended until the Maryland Energy Administration (MEA) submits a report to the budget committees detailing the:

**D13A13**

- (1) fiscal 2025 actual expenditures (including encumbrances) by programmatic activity and fund source;
- (2) the fiscal 2026 actual expenditures (including encumbrances) by programmatic activity and fund source;
- (3) explanations including details from which programs and fund sources federal and special funds were canceled for fiscal 2026 actual expenditures; and
- (4) explanations including details from which programs and fund sources federal and special funds were encumbered in fiscal 2026 closeout.

The report shall be submitted by September 30, 2026. The budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted.

**Explanation:** MEA has delayed providing explanations on cancellations of funds at closeout as well as delaying or failing to provide details on programmatic spending by activity and fund source in recent years. This language restricts funds pending submission of a report providing explanations on fund cancellations at fiscal 2026 closeout, as well as details on encumbrances, and spending by programmatic activity and fund source for fiscal 2025 and 2026 actual expenditures.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Fiscal 2026 cancellations, encumbrances, and actual expenditures by activity	MEA	September 30, 2026

**Committee Narrative**

**Strategic Energy Investment Fund (SEIF) Revenue, Spending, and Fund Balance:** The committees are interested in ensuring transparency in Regional Greenhouse Gas Initiative (RGGI) and Alternative Compliance Payment (ACP) revenue assumptions and spending included in the budget as well as available fund balance and planned usages of revenues. The committees request that the Department of Budget and Management (DBM) provide an annual report on the revenue from RGGI carbon dioxide emissions allowance auctions and set-aside allowances as well as ACP revenue assumptions in conjunction with the submission of the fiscal 2028 budget as an appendix to the Governor’s Fiscal 2028 Budget Books. The report shall include information on

**D13A13**

the actual fiscal 2026, the fiscal 2027 working appropriation, and the fiscal 2028 allowance. The report shall detail:

- revenue assumptions used to calculate the available SEIF from RGGI auctions for each fiscal year, including the number of auctions, the number of allowances sold, the allowance price in each auction, and the anticipated revenue from set aside allowances;
- revenue assumptions used to calculate the available ACP revenue for each fiscal year;
- amount of the SEIF from RGGI auction revenue available to each agency that receives funding through each required statutory allocation; dues owed to RGGI, Inc.; and transfers or diversions made to other funds;
- amount of the SEIF from ACP available to each agency including any transfers or diversion made to other funds; and
- fund balances for each SEIF subaccount, reflecting funds available to spend for the fiscal 2026 actual accounting for encumbered funds, the fiscal 2027 working appropriation, and the fiscal 2028 allowance.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on revenue assumptions, fund balance, and usage of SEIF revenues sourced from RGGI program auctions	DBM	With submission of the Governor’s Fiscal 2028 Budget Books

**Committee Narrative**

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

**D13A13**

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

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on federal IJJA and IRA funding and implementation of home energy rebate programs	MEA	December 31, 2026

**Committee Narrative**

**Usage of Additional Strategic Energy Investment Fund (SEIF) Revenues Provided to the Maryland Energy Administration (MEA):** ~~The fiscal 2027 allowance for MEA includes \$100 million of Alternative Compliance Payments (ACP) deposited in SEIF funds, contingent on enactment of legislation expanding allowable uses of ACP revenues in the SEIF. The Budget Reconciliation and Financing Act of 2025 specifies, of the total \$100.0 million, \$70.0 million be used to provide gap financing for at-risk, large-scale clean energy projects and \$30.0 million be used to provide grants and loans to support creation of new Tier 1 renewable energy sources. The fiscal 2027 budget allocates \$100 million of SEIF revenue to MEA for a reverse auction grant program for new and renewable energy. The funds are contingent on the enactment of legislation authorizing the use of Alternative Compliance Payment revenues for this purpose. The committees request that MEA submit a report outlining the uses and planned uses of this funding details of the program.~~

The committees also request MEA to provide an update on and the planned timeline and uses for the remaining portion of the \$90 million transferred from the SEIF to the Dedicated Purpose Account in fiscal 2025.

**D13A13**

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on the usage of ACP revenues in the SEIF	MEA	December 31, 2026

**Committee Narrative**

***Data Centers in Maryland:** The committees are interested in receiving information about the data centers in Maryland. The committees request the Maryland Energy Administration (MEA) submit a report providing current and proposed locations of all data centers in the State. The report should be submitted by December 15, 2026.*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on data centers	MEA	December 15, 2026

**Budget Amendment**

**D13A13.08 Renewable and Clean Energy Programs and Initiatives**

Add the following language to the special fund appropriation:

Further provided that \$13,000,000 of this appropriation is contingent upon enactment of legislation expanding the allowable uses of the Strategic Energy Investment Fund to include grants or loans to support the creation of new Tier 1 renewable energy sources in the State.

**Explanation:** This language makes a portion of the appropriation in the Maryland Energy Administration contingent on the expansion of allowable uses. Specifically, the programs included in this contingency are the Local Government Energy Modernization (\$7.0 million), Commercial Building (\$4.0 million) and OPEN Energy Innovation Grant Program (\$2.0 million), budgeted within the Renewable and Clean Energy Programs and Initiatives. These programs are reported as being supported by Alternative Compliance Payments, which must be used to directly benefit low- and moderate-income communities or overburdened or underserved communities.

**D40W01**  
**Department of Planning**

**Budget Amendment**

**D40W01.01      Operations Division**

Modify the following language from the general funds appropriation:

, provided that \$250,000 of this appropriation made for the purpose of administration may not be expended until the Department of Planning submits a report to the budget committees on permits that impact the business community, including identifying places where permitting overlaps agencies unnecessarily, a review of the processing time to issue permits, and recommendations for metrics around permitting that should be included in the State’s Managing for Results performance review. The department shall consult with the Maryland Coordinated Permitting Review Council, the Department of Legislative Services, the Maryland Association of Counties, the Maryland Municipal League, and any other relevant departments or stakeholders in developing the report. The report shall be submitted by September 30, 2026, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:**      This language restricts funds for administrative purposes in the Maryland Department of Planning (MDP) until the department submits a report on permits that impact the business community. The committees request that MDP work in conjunction with the Maryland Coordinated Permitting Review Council, the Department of Legislative Services, the Maryland Association of Counties, the Maryland Municipal League, and any other relevant departments or stakeholders to develop the report.

## D40W01

Information Request	Author	Due Date
Report on permits that impact the business community and metrics around permitting that should be included in the State's Managing for Results performance review	MDP	September 30, 2026

Amendment No.

### Budget Amendment

#### D40W01.03 Planning Data and Research

Add the following language to the general fund appropriation:

, provided that \$150,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Department of Planning (MDP) submits a report to the budget committees on the feasibility, fiscal impacts, and policy design for applying a split-rate or land value tax within defined areas adjacent to rail stations served by MARC, MTA Metro SubwayLink, MTA Light RailLink, or the Purple Line. MDP shall consult with the State Department of Assessments and Taxation (SDAT), the Maryland Department of Transportation, and the Department of Legislative Services in preparing the report. SDAT shall provide MDP with assessment and sales data necessary to complete the report no later than August 1, 2026. The report shall include the following:

- (1) estimated fiscal impacts on affected local jurisdictions of applying a higher tax rate to land than to improvements within defined station areas, assuming all additional revenue accrues to the local jurisdiction, including distributional effects by property type and modeling of net revenue effects at a range of land-to-improvement rate differentials, and a review of published evidence on whether split-rate taxation near transit increases or decreases housing production;
- (2) the estimated cost to SDAT of implementing a station area-only split-rate subclass, distinct from the statewide costs analyzed in the fiscal note for HB 78 and SB 457, and a review of property tax assessment appeal rates in Pennsylvania municipalities that have implemented split-rate taxation;
- (3) a review of the circumstances under which Pittsburgh's split-rate tax was repealed in 2001, the role of deferred reassessments in that outcome, and the extent to which

**D40W01**

Maryland’s triennial reassessment cycle may mitigate comparable risks in a Maryland station-area pilot;

- (4) any statutory changes required to authorize a pilot program and a ranked identification of station areas suitable for an initial pilot with ranking criteria stated.

The report shall be submitted by December 1, 2026, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

<i>Information Request</i>	<i>Author</i>	<i>Due Date</i>
<i>Report on the possibility of applying a split-rate or land value tax adjacent to rail stations</i>	<i>MDP</i>	<i>December 1, 2026</i>

Amendment No.

**Budget Amendment**

**D40W01.04 Planning Coordination**

Add the following language to the general fund appropriation:

, provided that this appropriation shall be reduced by \$131,529 contingent upon enactment of legislation expanding the allowable uses of the Strategic Energy Investment Fund to include programs and applicable initiatives related to State climate change mitigation and climate change resiliency efforts

**Explanation:** This language adds specificity to contingent language on the general fund appropriation so that it more closely matches the applicable Budget Reconciliation and Financing Act provision.

**D40W01**

Add the following language to the special fund appropriation:

, provided that \$136,591 of this appropriation is contingent upon enactment of legislation expanding the allowable uses of the Strategic Energy Investment Fund to include programs and applicable initiatives related to State climate change mitigation and climate change resiliency efforts

**Explanation:** This language adds specificity to contingent language on the special fund appropriation so that it more closely matches the applicable Budget Reconciliation and Financing Act provision.

**D40W01.12 Maryland Historic Revitalization Tax Credit**

**Committee Narrative**

**Report on Historic Revitalization Tax Credit Utilization:** *The committees request that the Maryland Department of Planning (MDP) report on the demand for and utilization of the Maryland Historic Revitalization Tax Credit’s competitive commercial and small commercial tax credit programs. The report should include information on initial tax credit certificates issued annually for fiscal 2023 through 2026, including, for each program, the number of applications received and the amount of funding requested, and the number and value of initial certificates issued. The report should also include fund balances of the Reserve Fund and Small Commercial Project Trust Account.*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
<i>Report on Historic Revitalization Tax Credit competitive commercial and small commercial programs</i>	<i>MDP</i>	<i>October 30, 2026</i>



**D70J**

**Committee Narrative**

**Insured Division Report:** Due to inadequate ending surplus in calendar 2025, the Maryland Automobile Insurance Fund (Maryland Auto) is expected to require issuing another assessment. The Insured Division’s revenue is driven by premiums collected on insurance policies. The committees are requesting a report to monitor the ongoing financial situation at Maryland Auto. The report should include data on premiums earned and expenditures. The report should also include data on gross written policies, policies in force, payment plans counts, and policy types. The report should cover the first two quarters of calendar 2026.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Insured Division’s premiums, expenditures, and policy information	Maryland Auto	October 1, 2026

**Committee Narrative**

**Uninsured Division Claims:** *The committees are interested in better understanding claim trends in the Uninsured Division. The committees request that the Maryland Automobile Insurance Fund (Maryland Auto) submit a report with data on use of claims in the Uninsured Division between calendar 2020 and 2026 through October 2026. The report should include the number of claims, claims by type, closure rates, and subrogation recovery rates if any. Data should be provided separately by year. Maryland Auto should discuss any factors that have contributed to changes in claims, closure rates, or recoveries in this time period.*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
<i>Report on claims for the uninsured division</i>	<i>Maryland Auto</i>	<i>December 1, 2026</i>

**D80Z01**  
**Maryland Insurance Administration**

**D80Z01.01 Administration and Operations**

**Committee Narrative**

**Insurance Tracking System Project Status:** After significant delays beginning in calendar 2020, active development of the Insurance Tracking System Project is underway. The Maryland Insurance Administration (MIA) has begun Phase 2 of this ongoing project. The fiscal 2027 allowance includes \$8.7 million for continued Insurance Tracking System Project development. In order to continue monitoring this project and to be informed of any further delays or cost increases, the committees request that MIA submit initial and follow-up reports to update the committees, including:

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

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Insurance Tracking System Major Information Technology Development Project status	MIA	July 10, 2026 January 10, 2027

**Committee Narrative**

**Report on Affordable Care Act (ACA) Segregated Account Funding Data:** The committees request that the Maryland Insurance Administration (MIA), in collaboration with the Prevention and Health Promotion Administration (PHPA) in the Maryland Department of Health, submit a report with data from insurers, nonprofit health services providers, and health maintenance organizations on segregated accounts established under the federal ACA. The report should include data from calendar 2025 on receipts, disbursements, ending balances, and interest for the segregated accounts.

**D80Z01**

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on ACA segregated account data	MIA PHPA	January 1, 2027

**F50**  
**Department of Information Technology**

**Budget Amendment**

**F50A01.01 Information Technology Investment Fund**

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete general funds for the Department of Information Technology Statewide Permitting Platform Major Information Technology Development Project (MITDP) because the information technology project request for this MITDP was not submitted as required by § 3.5-308 of the State Finance and Procurement Article.	-500,000	GF
2. Delete general funds for the Maryland Department of Health Medicaid Pharmacy Benefits Electronic Claims System Major Information Technology Development Project and authorize a budget amendment to be processed to replace these funds with federal funds to account for the expected 90% federal fund match for this project. This action will delete general funds in the Information Technology Investment Fund for this project and authorize a budget amendment to be processed to replace these funds with federal funds.	-1,250,000	GF
Total Change	-1,750,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Funds	96,667,765	94,917,765	-1,750,000	

**Committee Narrative**

**Information on Out-year Funding and Cost Estimates for Major Information Technology Development Projects (MITDP):** Historically, the Department of Information Technology (DoIT) and the Department of Budget and Management (DBM) have submitted out-year funding

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and costs estimates for each MITDP split by fiscal years and fund sources in a separate MITDP appendix with the budget books. Although the Governor’s Fiscal 2027 Budget Book include a separate MITDP appendix, the appendix does not include information on the out-year funding and cost estimates split by fiscal years and fund sources. Additionally, MITDPs are primarily funded by general funds through the Information Technology Investment Fund, and the out-year funding information is required for the State’s general fund projections. The committees request that DoIT, in collaboration with DBM, include the out-year funding requirement and estimated cost for each MITDP split by fiscal years and fund sources in the MITDP appendix with the Governor’s Fiscal 2028 Budget Books.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Information on out-year funding and cost estimates for MITDPs	DoIT DBM	With submission of the Governor’s Fiscal 2028 Budget Books

**Budget Amendment**

**F50B04.01                      State Chief of Information Technology**

Amend appropriation for the purposes indicated:		<u>Funds</u>	<u>Positions</u>
1.	Increase turnover expectancy for 9 new positions in Program F50B04.01 to 25% to be consistent with budgeted turnover for new positions.	-440,151	GF
Total Change		-440,151	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	42.00	42.00		0.00
General Funds	35,334,097	34,893,946	-440,151	

**Committee Narrative**

**Report on Agency Artificial Intelligence (AI) Utilization:** The committees are interested in understanding how each Executive Branch agency uses AI and mitigates risks or challenges associated with AI use. The committees request the Department of Information Technology

**F50**

(DoIT), in coordination with each Executive Branch agency, submit a report on the utilization of artificial intelligence (AI) by each Executive Branch agency. Each Executive Branch agency shall submit a report to DoIT by October 1, 2026, and DoIT shall submit one report that provides a summary of the information for all agencies. Each agency report to DoIT shall include:

- a description of how the agency is using or piloting AI to improve service delivery, operational efficiency, or public outcomes; and
- a description of how the agency is identifying and addressing risks or challenges associated with AI use, including impacts on residents.

It is the intent of the budget committees that the report also be submitted to the Governor and the Joint Committee on Cybersecurity, Information Technology, and Biotechnology.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on Agency AI Utilization	DoIT	December 1, 2026

**Budget Amendment**

Add the following section:

**Section 34 Artificial Intelligence Implementation**

SECTION 34. AND BE IT FURTHER ENACTED, That \$250,000 of the general fund appropriation for the Department of Information Technology (DoIT) and \$250,000 of the general fund appropriation for the Department of General Services (DGS) may not be expended until DoIT and DGS submit a joint report to the budget committees on artificial intelligence (AI). The report shall include:

- (1) an update on the efforts the State has taken to implement AI statewide in accordance with the State’s enablement strategy;
- (2) details on how DoIT prioritizes and focuses on the effective use of AI;
- (3) details on the findings of the AI study roadmap, including the timeline and plans to implement the findings;
- (4) details on the development and implementation of competitive proof of concept procurement for AI systems;

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- (5) details on the procurement of systems that employ AI; and
- (6) an update on the regular impact assessments of AI systems.

DoIT, in collaboration with DGS, shall submit the report to the budget committees by November 1, 2026, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** In accordance with Chapter 496 of 2024, DoIT published the State’s AI enablement strategy and AI study roadmap. Among other provisions, Chapter 496 also requires DoIT to develop and implement competitive proof of concept procurement for AI systems and conduct regular impact assessments of AI systems. This language restricts funds pending submission of a joint report on AI implementation and procurement and impact assessments of AI systems.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on AI implementation	DoIT DGS	November 1, 2026

**Budget Amendment**

**F50B04.05            Chief of Staff**

Amend appropriation for the purposes indicated:		<u><b>Funds</b></u>	<u><b>Positions</b></u>
1.	Increase turnover expectancy for 2 new positions in Program F50B04.05 to 25% to be consistent with budgeted turnover for new positions.	-91,299	GF
	Total Change	-91,299	0.00

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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	27.00	27.00		0.00
General Funds	6,331,686	6,240,387	-91,299	

**F50B04.08 Maryland (MD) Benefits**

**Committee Narrative**

**Report on Maryland Benefits:** The Maryland Benefits, previously known as MD THINK, is a cloud-based platform that provides infrastructure, data, and application services to multiple State agencies. Maryland Benefits was transferred to the Department of Information Technology (DoIT) from the Department of Human Services (DHS) beginning in fiscal 2026 to support continued integration of multiple agencies and identify efficiencies for the platform. The shared platform and Eligibility and Enrollment (E&E) application were transferred to DoIT. Applications that are solely used by DHS, Child, Juvenile, and Adult Management System (CJAMS) and Child Support Management System (CSMS) are to remain with DHS. However, DHS reported that operational duties for CJAMS and CSMS are still integrated with the MD Benefits shared platform and are currently with DoIT. Both DoIT and DHS estimate separating the applications by the end of fiscal 2026. Additionally, Maryland Benefits encountered significant investment and implementation challenges before it was transferred to DoIT. The committees request DoIT to submit a report on ~~the progress of the shared platform and E&E implementation by DoIT, the separation of CJAMS and CSMS applications from Maryland Benefits' shared platform, costs, additional efficiencies identified, and estimated savings. The report should also include how procurements for different components of the platform are carried out and the possibility of identifying savings either through consolidation of multiple contracts or separating a single contract into multiple contracts.~~ *Maryland Benefits, including:*

- *an update on the separation of CJAMS and CSMS applications and the reasons for delay in transition;*
- *an update on the implementation of the shared platform and E&E application, including program costs and/or anticipated cost overruns, expected savings, and potential challenges; and*
- *description of procurement process for various components of the shared platform and anticipated efficiencies and savings through contract consolidation.*

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<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on Maryland Benefits	DoIT	December 1, 2026

## J00

### Maryland Department of Transportation Overview

#### Budget Amendment

Add the following language to the special fund appropriation:

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

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

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

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

**Explanation:** This annual budget bill language requires the department to notify the budget committees of proposed changes to the transportation capital program that will add a new project that was not in the fiscal 2026 to 2031

## J00

Consolidated Transportation Program (CTP) or will increase a total project's cost by more than 10% or \$1 million, due to a change in scope. Reports are to be submitted with the draft and final versions of the CTP with each using the 2026 session CTP as the basis for comparison. In addition, notification is required as needed throughout the budget year if certain changes to projects are made.

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



**J00A01**

**Committee Narrative**

**Apprenticeships within the Maryland Department of Transportation (MDOT):** The committees are interested in learning about apprenticeships within the MDOT modes. The committees request that the Secretary’s Office (TSO) submit a report including the following information:

- existing registered apprenticeships within the MDOT modes, including contractors;
- workforce needs of the department and contractors that could be met by registered apprenticeships;
- any barriers to creating and expanding apprenticeships at MDOT or by contractors; and goals for scaling apprenticeships by occupation and MDOT mode.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on apprenticeships in MDOT	TSO	December 1, 2026

**Committee Narrative**

**Disadvantaged Business Enterprise (DBE) Recertification:** The committees are interested in the DBE recertification process being undertaken by the Department of Social and Economic Mobility (DoSEM) and request that DoSEM and the Maryland Department of Transportation (MDOT) Secretary’s Office (TSO) submit a report by September 1, 2026, providing an update on the recertification process. The report should include the number of DBE-certified vendors prior to the recertification process, the number of vendors that submitted application for recertification, how many of those vendors were recertified, how recertification was determined, and how many of the recertified vendors were previously certified as a Small Business Enterprise. The report should include any challenges that MDOT has faced due to the need of DBE recertification and the status of the U.S. Department of Transportation’s approval on relaunching the DBE Program, including the establishment of new DBE participation goals.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on DBE recertification process	DoSEM TSO	September 1, 2026

**J00A01**

**Budget Amendment**

**J00A01.02**

**Operating Grants-In-Aid**

Add the following language to the special fund appropriation:

, provided that no more than \$7,201,128 of this appropriation may be expended for operating grants in aid, except for:

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

Further provided that no expenditures in excess of \$7,201,128 may occur unless the department provides notification to the budget committees to justify the need for additional expenditures due to either item (1) or (2) above, and the committees provide review and comment or 45 days elapse from the date such notification is provided to the committees.

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

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

**J00A01**

**Budget Amendment**

**J00A01.03            Facilities and Capital Equipment**

Add the following language to the special fund appropriation:

, provided that no funds may be expended by the Secretary’s Office for any capital project or grant with a total project cost in excess of \$500,000 that is not currently included in the fiscal 2026 to 2031 Consolidated Transportation Program, except as outlined below:

- (1) the Secretary shall notify the budget committees of any proposed capital project or grant with a total cost in excess of \$500,000, including the need and justification for the project and its total cost; and
- (2) the budget committees shall have 45 days to review and comment on the proposed capital project or grant.

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

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

**J00A04**  
**MDOT Debt Service Requirements**

**Budget Amendment**

**J00A04.01          Debt Service Requirements**

Add the following language to the special fund appropriation:

Provided that Consolidated Transportation Bonds (CTB) may be issued in any amount, provided that the aggregate outstanding and unpaid balance of these bonds and bonds of prior issuances may not exceed \$3,372,325,000 as of June 30, 2027. The total aggregate outstanding and unpaid principal balance of nontraditional debt, defined as any debt instrument that is not a CTB or a Grant Anticipation Revenue Vehicle bond issued by the Maryland Department of Transportation (MDOT), exclusive of debt for the Purple Line Light Rail project, may not exceed \$819,205,000 as of June 30, 2027. The total aggregate outstanding and unpaid principal balance on debt for the Purple Line Light Rail project may not exceed \$2,506,531,397 as of June 30, 2027. Provided, however, that in addition to the limits established under this provision, MDOT may increase the aggregate outstanding unpaid and principal balance of CTB debt or nontraditional debt so long as:

- (1) MDOT provides notice to the Senate Budget and Taxation Committee and the House Appropriations Committee stating the specific reason for the additional issuance and providing specific information regarding the proposed issuance, including information specifying the total amount of CTB debt or nontraditional debt that would be outstanding on June 30, 2027, and the total amount by which the fiscal 2027 debt service payment for all CTB debt or nontraditional debt would increase following the additional issuance; and
- (2) the Senate Budget and Taxation Committee and the House Appropriations Committee have 45 days to review and comment on the proposed additional issuance before the publication of a preliminary official statement. The Senate Budget and Taxation Committee and the House Appropriations Committee may hold a public hearing to discuss the proposed increase and shall signal their intent to hold a hearing within 45 days of receiving notice from MDOT.

**Explanation:** Section 3-202 of the Transportation Article requires the General Assembly to establish the maximum debt outstanding for CTB each year in the budget bill. The level is based on the outstanding debt as of June 30, 2025, plus projected debt to be issued during fiscal 2026 and 2027 in support of MDOT capital program. For nontraditional debt, this language limits the amount of debt outstanding at the end of fiscal 2027, exclusive of debt issued for the Purple Line

## J00A04

Light Rail project, to the total amount that was outstanding from all previous nontraditional debt issuances as of December 31, 2025, plus anticipated issuances of \$130 million in new Baltimore/Washington International Thurgood Marshall Airport Passenger Facility Charge Revenue Bonds in July 2026. Debt outstanding for the Purple Line Light Rail project is capped at the projected maximum debt outstanding level that will occur during the construction phase of the project. The language allows MDOT to increase the amount of CTB debt or nontraditional debt outstanding in fiscal 2027 by providing notification to the budget committees regarding the reason that the additional debt is required.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Justification for increasing CTB debt or nontraditional debt outstanding	MDOT	45 days prior to publication of a preliminary official statement

Add the following language to the special fund appropriation:

The Maryland Department of Transportation (MDOT) shall submit with its annual September and January financial forecasts, information on:

- (1) anticipated and actual nontraditional debt outstanding as of June 30 of each year; and
- (2) anticipated and actual debt service payments for each outstanding nontraditional debt issuance from fiscal 2026 through 2036.

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

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

**J00A04**

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Nontraditional debt outstanding and anticipated debt service payments	MDOT	With the September financial forecast With the January financial forecast

**J00B01**  
**MDOT State Highway Administration**

**J00B01.02 State System Maintenance**

**Committee Narrative**

**Federal Funding Reimbursements:** A recent fiscal compliance audit questioned the State Highway Administration’s (SHA) accounting practice of recording federal funding for projects that have yet to be reimbursed and are not guaranteed due to expenditures exceeding the initial authorized amount. The committees request that SHA submit a report on the ongoing process of collecting these federal reimbursements for ~~fiscal 2024 and 2025~~. ~~The report should include:~~ *fiscal 2024, 2025, and 2026 year to date. The fiscal 2024 and 2025 data should be submitted by July 1, 2026, and the fiscal 2026 data should be submitted by December 1, 2026. SHA should address how the agency will ensure that requests for reimbursements are submitted in a timely fashion and include processes being implemented to improve the processing of federal reimbursement in the future. The reports should include:*

- the initial authorized amounts;
- the amount of additional reimbursement SHA requested from the federal government;
- how much of the additional reimbursement SHA was able to obtain;
- how SHA covered the amounts not reimbursed by the federal government; and
- how this affected capital spending and planning for the agency.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on the recovery of federal fund reimbursements	SHA	<i>July 1, 2026</i> December 1, 2026

**Committee Narrative**

**Traffic Safety Plan:** The committees request that the State Highway Administration (SHA) submit a comprehensive traffic safety plan for MD 410 between MD 500 and Route 1. The report should detail the sequence of actions needed to improve pedestrian safety, sidewalks, and street alignment and a timeline and estimated cost for completing these actions.

**J00B01**

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on traffic safety plan for MD 410	SHA	December 1, 2026

**J00D00**  
**MDOT Maryland Port Administration**

**J00D00.01          Port Operations**

**Committee Narrative**

**Howard Street Tunnel Quarterly Reporting:** The committees are interested in monitoring the progress being made on the Howard Street Tunnel project as it nears completion and request that the Maryland Port Administration provide four quarterly reports on the status of the project, including percentage completion and any material changes to the project schedule or cost. The committees request that the first report be submitted by July 1, 2026, with subsequent reports submitted every three months thereafter.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Status reports on the Howard Street MPA Tunnel project		July 1, 2026
		October 1, 2026
		January 1, 2027
		April 1, 2027

**Committee Narrative**

**Clean Ports Program and Other Federal Grants Update:** The committees are interested in monitoring the status, receipt, and use of federal grant funding awarded to the Maryland Port Administration (MPA). The committees request that MPA submit two reports on the status of expenditures of and activities related to the two grants that it was awarded under the U.S. Environmental Protection Agency’s Clean Ports Program, in addition to any other federal grants awarded to MPA for which a grant agreement is in place with federal agencies as of the date of the reports. The reports should include the total amount of *each federal grant award, total expenditures made to date from each grant, and the amount of federal reimbursements* received by MPA through these grants as of the date of each report. The first report should be submitted July 15, 2026, and the second report should be submitted December 1, 2026.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Reports on Clean Ports Program and other federal grant awards	MPA	July 15, 2026
		December 1, 2026



## J00H01

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
<i>Report on real-time audible and text-based announcement equipment in MTA vehicles</i>	<i>MTA</i>	<i>October 1, 2026</i>
		Amendment No.

Add the following language to the special fund appropriation:

Further provided that \$150,000 of this appropriation made for the purpose of transit administration may not be expended until the Maryland Department of Transportation submits a report to the budget committees on the Workgroup on Curb Space Management created by Chapter 751 of 2024. The report shall include confirmation that the workgroup has been established by the department, a list of dates of meetings of the workgroup, and a summary of workgroup activities completed to date and planned as of the date of the report. The report shall be submitted by September 1, 2026, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted to the budget committees.

**Explanation:** Chapter 751 of 2024 (Better Bus Service Act) established the Workgroup on Curb Space Management, to be staffed by the Maryland Department of Transportation (MDOT). The workgroup is tasked with reviewing several factors relating to curb space management, including obstruction enforcement strategies for bus stops and dedicated bus lanes, current curb space regulations within transit-served areas of the State, and strategies to effectively manage curb space changes on roadways with frequent bus service, dedicated bus lanes, and parking, loading, or standing needs. The workgroup was required by Chapter 751 to submit a report with its findings and recommendations to the Governor and General Assembly by July 1, 2025, however, the workgroup has not been established and the report has not been submitted. This language restricts funds pending a report confirming that the workgroup has been established by MDOT and providing a summary of its completed and planned activities.

## J00H01

<i>Information Request</i>	<i>Author</i>	<i>Due Date</i>
<i>Report on the Workgroup on Curb Space Management</i>	<i>MTA</i>	<i>September 1, 2026</i>

Amendment No.

Strike the following language from the Special Funds appropriation:

~~provided that \$500,000 of this appropriation made for the purpose of agency administration may only be used to provide matching fund grants to partner entities selected by the Maryland Department of Transportation for Purple Line launch marketing in the three months before and three months after the opening of the Purple Line light rail, with the intention that funds not awarded to grantees in fiscal 2027 remain available for award in fiscal 2028. Funds not expended for this purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.~~

**Explanation:** This language restricts funding in the administrative budget of the Maryland Transit Administration for the purpose of providing matching fund grants to partner entities selected by the Maryland Department of Transportation for Purple Line launch marketing activities during the three months before and three months after the opening of the Purple Line light rail.

Amendment No.

### Committee Narrative

**Purple Line Status Reports:** Given schedule delays and cost overruns associated with completing construction on the Purple Line light rail project, the committees request that the Maryland Transit Administration (MTA) submit six bimonthly construction status reports for the Purple Line to the committees. The status reports shall provide:

- the completion percentages for the project as a whole and for each major category of work, including (1) the overall project; (2) utility relocations; (3) civil design; (4) systems design; (5) construction possession of property acquisitions; (6) civil construction; (7) rail installation; (8) systems and station construction; (9) the Glenridge Operations and Maintenance Facility; (10) rail vehicles ready to ship; and (11) Capital Crescent Trail Construction;

*Transportation and the Environment Subcommittee – Operating Budget, March 2026*

## J00H01

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

Information Request	Author	Due Date
Reports on Purple Line construction progress	MTA	July 1, 2026, and bimonthly thereafter ending with the May 1, 2027 report

### Committee Narrative

~~**Status of the Baltimore Red Line Project Status and BMORE Bus Plan:** The committees request that the Maryland Transit Administration (MTA) submit a report by September 1, 2026, on the current status of the Red Line and the BMORE Bus Plan projects. The report should provide the next steps, *funding needs and sources*, and an updated timeline for *both projects, including planned or potential synergies between the two projects*. ~~the project in light of the pause in the federal National Environmental Policy Act permitting process that went into effect on June 16, 2025. The report should include details on what project design and engineering activities are occurring during this pause, including the uses of funding included in the fiscal 2026 and 2027 MTA capital budget. The report should also include a discussion of future funding needs and projected funding sources for the construction phase of the project.~~~~

Information Request	Author	Due Date
Report on <i>the Baltimore Red Line and BMORE Bus Plan</i> project statuses, timelines, and funding needs	MTA	September 1, 2026

### Committee Narrative

**Red Line Project Status Reports:** *The committees request that the Maryland Transit Administration (MTA) submit six bimonthly status reports for the Red Line project. The reports shall provide:*

## J00H01

- *the status of completion of acquiring rights of way on the west side, downtown, and east side of the project corridor, alignment decisions, and general project planning and design;*
- *current and future projected funding sources and future funding needs;*
- *the running total amount expended for all project phases to date; and*
- *an updated timeline for the next phases of the project.*

*The report should include details on what project design and engineering activities are occurring during the pause in the federal National Environmental Policy Act permitting process that went into effect on June 16, 2025, including the uses of funding included in the fiscal 2026 and 2027 MTA capital budget.*

<b><i>Information Request</i></b>	<b><i>Author</i></b>	<b><i>Due Date</i></b>
<i>Report on Red Line project status</i>	<i>MTA</i>	<i>July 1, 2026, and bimonthly thereafter ending with the May 1, 2027 report</i>

**J00I00**  
**MDOT Maryland Aviation Administration**

**Budget Amendment**

**J00I00.02            Airport Operations**

Add the following language to the special fund appropriation:

, provided that \$100,000 of this appropriation may not be expended until the Maryland Aviation Administration (MAA) submits a report that provides the noise abatement procedure plan for flight school traffic pattern for aircraft departing from runway 15 at Martin State Airport. This report shall include the following:

- (1) the impact of aircraft noise on communities near Martin State Airport;
- (2) any actions MAA is currently taking to address this issue; and
- (3) a timeline for implementing the noise abatement procedure.

This report shall be submitted by October 1, 2026, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted for this report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted.

**Explanation:**            The budget committees are interested in efforts that MAA is taking to mitigate the impact of aircraft noise on the lives of Marylanders. This language restricts funds pending receipt of a report from MAA outlining the noise abatement procedure for flight school traffic pattern at Martin State Airport.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on noise abatement procedure at Martin State Airport	MAA	October 1, 2026

**J00J00**  
**Maryland Transportation Authority**

**J00J00.41            Operating Program**

**Committee Narrative**

**Francis Scott Key Bridge (Key Bridge) Reconstruction Project:** The committees are interested in following the progress being made on the reconstruction of the Key Bridge and request that the Maryland Transportation Authority (MDTA) provide two updates on the status of the project. The reports shall provide:

- the current status of design, engineering, federal permitting, preconstruction, and construction activities;
- the running total amount expended for the project;
- the current availability and status of seeking and receiving federal reimbursements for the project, including the total amount of federal funds that have been received; and
- any material changes to the project schedule or cost.

The committees request that the first report be submitted by July 1, 2026, and the second report be submitted by January 1, 2027.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Status reports on the Key Bridge reconstruction project	MDTA	July 1, 2026 January 1, 2027

**K00A**  
**Department of Natural Resources**

**K00A01.01      Secretariat**

**Committee Narrative**

**Efforts to Support Natural Resources and Outdoor Recreation Industry Apprenticeships:** The final report of the Maryland Outdoor Recreation Economic Commission, created by executive order on October 13, 2017, included the recommendation to enhance outdoor recreation workforce development and job creation opportunities in Maryland. Recommended steps towards this goal included identification of opportunities for outdoor recreation and historic preservation training and degree programs and to promote careers in the outdoor recreation industry in coordination with the Maryland Workforce Expressway. The commission also created the Office of Outdoor Recreation within the Department of Natural Resources (DNR) that continues to promote outdoor recreation in Maryland, including the creation of the Maryland Outdoor Recreation Business Directory. In addition, the Maryland Park Service operates the Maryland Conservation Corps in partnership with the Department of Service and Civic Innovation, and the Natural Resources Police operates the Maryland Natural Resources Police Cadet program. Therefore, the committees request that DNR submit a report detailing agency efforts, including those of the Office of Outdoor Recreation, to support apprenticeship programs within the natural resources and outdoor recreation industry. The report should identify existing natural resource and outdoor recreation apprenticeship programs, noting the positions supported by apprenticeships, as well as barriers to creating new apprenticeships and obstacles to scaling. Additionally, the report should provide details on the number of existing registered apprentices and timeline to scale by natural resources and outdoor recreation occupations; previous data on the number of participants in apprenticeship programs; and actions taken by DNR, or planned actions, to support these programs and offer additional apprenticeship opportunities.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Efforts to support natural resources and outdoor recreation apprenticeships	DNR	December 1, 2026

# K00A

## Budget Amendment

Add the following section:

### Section 35 Deep Creek Watershed Management Plan Implementation Report Intent

SECTION 35. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Department of Natural Resources, in collaboration with the Deep Creek Watershed Management Partnership and the Maryland Department of the Environment, produce a report on reactivating the implementation of the Deep Creek Watershed Management Plan initially adopted October 1, 2014, and amended March 7, 2016. Long-term monitoring has documented overall water quality to be generally good, but recent water quality trend analyses indicate areas showing signs of declining water quality and habitat conditions. Addressing these negative trends would sustain Deep Creek Lake and support the local workforce, infrastructure, and economy. The report shall include a review of the current gaps in implementation readiness and evaluate and recommend a prioritized, implementation-ready list of best management practices, credible planning-level cost estimates, and coordinated implementation and financing framework to support informed investments and near-term implementation decisions for the Deep Creek Watershed Management Plan. The report shall be submitted to the Western Maryland delegation by December 1, 2026.

**Explanation:** This action expresses the General Assembly’s intent that the Department of Natural Resources (DNR), in collaboration with the Deep Creek Watershed Management Partnership and the Maryland Department of the Environment (MDE), complete a report on what is needed to reactivate implementation of the Deep Creek Watershed Management Plan initially adopted October 1, 2014, and amended March 7, 2016.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Deep Creek Watershed Management Plan reactivation report	DNR MDE	December 1, 2026

## K00A

### K00A04.01

### Statewide Operations

Strike the following language from the Special Funds appropriation:

~~provided that \$500,000 of this appropriation made for the purpose of administrative expenses may not be expended until the Department of Natural Resources submits a confirmatory letter to the budget committees on the completion of the Port of Deposit State Historical Park land transfer. The budget committees shall have 45 days from the date of the receipt of the confirmatory letter to review and comment. Funds restricted pending the receipt of the confirmatory letter data may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the confirmatory letter is not submitted to the budget committees.~~

#### Explanation:

~~Chapter 39 of 2022 required the Department of Natural Resources (DNR) to establish the Port of Deposit State Historical Park and required the Bainbridge Development Corporation to transfer a portion of the Bainbridge Naval Training Center site to DNR for the park by June 1, 2023. Subsequently, Chapter 602 of 2023 changed the date by which the Bainbridge Development Corporation must transfer a portion of the Bainbridge Naval Training Center site to DNR for the park from June 1, 2023, to June 1, 2025. To date, the land has not been transferred. This action restricts funding pending the submission of a confirmatory letter on the completion of the Port of Deposit State Historical Park land transfer.~~

Amendment No.

#### Committee Narrative

*Port of Deposit State Historical Park Land Transfer Status Report: Chapter 39 of 2022 required the Department of Natural Resources (DNR) to establish the Port of Deposit State Historical Park and required the Bainbridge Development Corporation to transfer a portion of the Bainbridge Naval Training Center site to DNR for the park by June 1, 2023. Subsequently, Chapter 602 of 2023 changed the date by which the Bainbridge Development Corporation must transfer a portion of the Bainbridge Naval Training Center site to DNR for the park – from June 1, 2023, to June 1, 2025. The committees request that DNR submit a report by December 1, 2026, on the status of the Port of Deposit State Historical Park land transfer.*

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<i>Information Request</i>	<i>Author</i>	<i>Due Date</i>
<i>Port of Deposit State Historical Park land transfer status report</i>	<i>DNR</i>	<i>December 1, 2026</i>

### **K00A14.02 Watershed and Climate Services**

#### **Committee Narrative**

**Chesapeake and Atlantic Coastal Bays 2010 Trust Fund Annual Work and Expenditure Plans:** The committees are concerned that Section 8-2A-03(d) of the Natural Resources Article requires the Governor to submit the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund annual work and expenditure plans to the General Assembly as part of the annual budget submission, but the Governor has not done so on a regular basis. Therefore, the committees request that the Department of Natural Resources (DNR) submit the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund annual work and expenditure plans with the fiscal 2028 budget submission.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Chesapeake and Atlantic Coastal Bays 2010 Trust Fund annual work and expenditure plans	DNR	Fiscal 2028 budget submission

#### **Committee Narrative**

**Chesapeake Bay Restoration Reporting Requirements:** The committees request that the Department of Natural Resources (DNR), the Department of Budget and Management (DBM), the Maryland Department of the Environment (MDE), the Maryland Department of Agriculture (MDA), and the Maryland Department of Planning (MDP) submit information on Chesapeake Bay restoration spending. The information shall include the following and is requested to be submitted with the fiscal 2028 allowance.

- **Chesapeake Bay Restoration Spending Details:** The committees request that the agencies provide an electronic disaggregated spreadsheet to the Department of Legislative Services and include as an appendix in the fiscal 2028 budget volumes the following: Chesapeake Bay restoration operating and capital expenditures by agency; fund type; and particular fund source based on programs that have over 50% of

## K00A

their activities directly related to Chesapeake Bay restoration for the fiscal 2026 actual, fiscal 2027 working appropriation, and fiscal 2028 allowance.

- **Chesapeake Bay Restoration Spending Policy:** The committees request that the agencies submit a report on the status of Maryland’s progress on each of the outcomes committed to in the Chesapeake Bay Watershed Agreement, with explanation of challenges and proposed next steps on those outcomes for which Maryland is behind schedule, Whole Watershed Act Fund implementation, and other Chesapeake Bay-related issues of interest or concern that the Administration should bring to the committees’ attention. The reporting on the Whole Watershed Act funding shall include the fiscal 2028 allowance describing the Whole Watershed Act funding by amount and source; the status of each project; the use of the fiscal 2027 and 2028 funding since the request for proposals is every five years; how projects will be funded over multiple years assuming uncertain appropriations to the Whole Watershed Fund each fiscal year; and preliminary outcomes of the projects selected, including State support provided to project sponsors, nutrient and sediment reductions, and any other relevant co-benefits.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Chesapeake Bay restoration spending details spreadsheet and budget volumes appendix	DNR DBM MDA MDE MDP	Fiscal 2028 allowance
Chesapeake Bay restoration spending policy	DNR DBM MDA MDE MDP	Fiscal 2028 allowance

**L00A**  
**Department of Agriculture**

**Budget Amendment**

**L00A11.01 Executive Direction**

Modify the following language from the General Funds appropriation:

, provided that ~~\$100,000~~\$250,000 of this appropriation made for the purpose of general operating expenses in the Office of the Secretary – Executive Direction may not be expended until the Maryland Department of Agriculture (MDA), in coordination with the Department of General Services, submits a report to the budget committees certifying that MDA has taken the steps needed to address the two repeat audit findings in MDA’s March 2025 audit. The report shall include details about the steps needed to address Finding 3 and Finding 4 and the actual steps taken to address the findings, including the systems and processes implemented to address the findings and evidence of ongoing use of these systems and processes. The report shall be submitted by July 1, 2026, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** MDA’s March 2025 audit included two repeat findings going back many years. Finding 3 (product registrations) has been commented upon in 5 preceding audit reports dating back to calendar 2007, and the lack of an independent supervisory review of product registrations has been commented on in 3 preceding audit reports dating back to calendar 2013. Finding 4 (equipment) concerning the lack of accountability and control over equipment has been commented on in 10 preceding audit reports dating back to 1990. This action restricts *a greater amount of funding* pending the submission of a report, in coordination with the Department of General Services (DGS), certifying that all steps have been taken to address the repeat audit findings.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report certifying all steps taken to address March 2025 repeat audit findings	MDA DGS	July 1, 2026
		Amendment No.

## L00A

### Committee Narrative

**Efforts to Support Agricultural Industry Apprenticeships:** The Maryland Department of Agriculture’s (MDA) mission is to provide leadership and support to agriculture and the citizens of Maryland by conducting regulatory, service, and educational activities that ensure consumer confidence, protect the environment, and promote agriculture. The Governor’s Intergovernmental Commission for Agriculture’s 2025 annual report notes the Labor, Education, and Development Subcommittee’s continuing discussion of ways to support the expansion of apprenticeship programs to create a pipeline for students to move into agricultural careers after graduation to support the needs for a broadened agricultural workforce and a more agriculturally educated generation. The subcommittee also recognized the importance of programs such as the Future Farmers of America and 4H and the breadth of agricultural careers, both on-farm and agricultural support careers, and the varied education backgrounds supporting them. These education backgrounds include veterinary medicine, agricultural engineering, agronomy, and conservation. Therefore, the committees request that MDA submit a report detailing agency efforts, including those of the Rural Maryland Council through the Rural Maryland Prosperity Investment Fund, to support apprenticeship programs within the agriculture industry. The report should identify existing agricultural apprenticeship programs, noting the positions supported by apprenticeships, as well as barriers to creating new apprenticeships and obstacles to scaling. Additionally, the report should provide details on the number of existing registered apprentices and timeline to scale by agricultural occupation; previous data on the number participants in apprenticeship programs; and actions taken by MDA, or planned actions, to support these programs and offer additional apprenticeship opportunities.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Efforts to support agricultural industry apprenticeships	MDA	December 1, 2026

### Budget Amendment

#### L00A15.04 Resource Conservation Grants

Amend appropriation for the purposes indicated:		<b><u>Funds</u></b>	<b><u>Positions</u></b>
1.	Reduce funding <i>by a lower amount</i> for the Leaders in Environmentally Engaged Farming program to level fund it with fiscal 2026. The final program	-400,000	GF
		-200,000	GF

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parameters and a spending plan have not been submitted.

Total Change	-400,000	
	-200,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	16.00	16.00		0.00
General Funds	3,563,782	<del>3,163,782</del>	-400,000	
		3,363,782	-200,000	

Amendment No.

**U00A**  
**Department of the Environment**

**Budget Amendment**

**U00A04.01                      Water and Science Administration**

Modify the following language from the Special Funds appropriation:

Further provided that ~~\$500,000~~\$250,000 of this appropriation made for the purpose of administrative expenses may not be expended until the Maryland Department of the Environment (MDE) submits a report to the budget committees evaluating and recommending options to standardize the interpretation and implementation of State septic system regulations and guidance across jurisdictions. The report shall be developed in consultation with stakeholders including local health departments, the development community, septic system installers and engineers, environmental stakeholders, and other relevant experts. The report shall include the following:

- (1) an examination of variations in how local environmental health officers interpret and apply MDE regulations and guidance, including identification of the statutory or regulatory basis for more restrictive local interpretations; a review of the justification for enhanced or intensive percolation testing and septic system requirements in certain jurisdictions, including but not limited to Howard County; and consideration of how elevated and other nonconventional septic systems are treated across jurisdictions and whether additional clarification or standardization from MDE is warranted;
- (2) an independent assessment of customer satisfaction across jurisdictions, including feedback from individuals directly involved in the percolation testing, plan review, and building permit processes;
- (3) an evaluation of septic system performance data, including the average number of failures annually by jurisdiction, the percentage of failures resulting in significant environmental or public health impacts, and any correlation between local testing requirements and documented environmental outcomes;
- (4) recommendations on predictive flow metrics for all uses, including restaurants, other businesses, and housing, and on how to permit reasonable flexibility in approved flow rates based on plumbing upgrades, flow monitoring, and lookback data after initial approval; and

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- (5) recommendations for a standardized statewide process for reviewing, approving, and implementing percolation plans and septic system approvals, including individual, shared, and multi-use systems; a coordinated approval framework for accessory dwelling units and other multi-unit developments served by multi-use systems; and a statewide flowchart depicting how county health departments, MDE, and local public works or permitting agencies coordinate throughout the approval and implementation process.

The report shall be submitted by December 1, 2026, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** This action restricts *a lower amount of* funding in the Maryland Department of the Environment’s Water and Science Administration pending the submission of a report on septic system regulations and guidance standardization. The report is intended to identify inconsistencies, improve transparency, and determine whether additional statewide guidance or standardization is needed to address local differences in stringency and permitting requirements across counties.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Septic system regulations and guidance standardization report	MDE	December 1, 2026

Amendment No.

Amend appropriation for the purposes indicated:		<u>Funds</u>	<u>Positions</u>
1.	Delete double-budgeted wastewater treatment plant operation and maintenance grants. The funding is already budgeted in Emergency and Support Services. Chapter 428 of 2004 (Water Pollution - State Waters - The Bay Restoration Fund) originally authorized the use of the Bay Restoration Fund for this purpose.	-11,100,000	SF
	Total Change	-11,100,000	0.00

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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	387.50	387.50		0.00
Special Funds	33,595,419	22,495,419	-11,100,000	

**Committee Narrative**

***Potomac Interceptor Oversight Failures and Water Quality Monitoring Plan:*** *The committees are concerned about the oversight failures and both public health and environmental impacts of the Potomac Interceptor sewer line collapse on January 19, 2026, near the Clara Barton Parkway and I-495 interchange in Montgomery County. The collapse of the 72-inch diameter pipe – owned, operated, and maintained by D.C. Water – caused an estimated 243-300 million gallon sanitary sewer overflow into the C&O Canal National Historical Park and ultimately the Potomac River.*

*Repairs to the interceptor infrastructure are expected to take many months to complete, and intermittent sewage overflows and leakages may continue. As such, the committees find that ongoing, coordinated, and transparent water quality monitoring is necessary to protect public health and ensure full understanding of the environmental impacts of this incident. The committees request that the Maryland Department of the Environment (MDE), which regulates unauthorized discharges into Maryland waterways and wetlands, oversees drinking water safety and enforcement, and monitors shellfish harvesting, submit reports as follows.*

- *MDE is requested to submit a report by June 1, 2026, that provides a detailed analysis of the events and factors that led to the Potomac Interceptor collapse, including a timeline of events and an evaluation of any oversight and monitoring failures that might have contributed to the sewer line collapse. The report should include a detailed evaluation of MDE’s and D.C. Water’s role in ensuring the safety and integrity of the sewer and wastewater systems. The report should also provide an assessment of the condition of the Potomac Interceptor along its alignment within Maryland, including any factors impacting the structural capacity and integrity of the system. In addition, the report should also include a plan for a continuous water quality monitoring program for bacteria, nutrients, dissolved oxygen, and other relevant ecological indicators, aquatic habitat conditions to assess ecological impacts, and coordination with existing citizen science and watershed monitoring programs operating in Maryland waters of the Potomac River, including nonprofit watershed organizations with demonstrated expertise.*
  
- *MDE is requested to submit monthly status reports on the steps taken by all parties to address the identified deficiencies that contributed to the Potomac Interceptor collapse. The report should include (1) a description of all water quality monitoring results from*

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*all available sources during the report period, including publicly accessible data from nonprofit watershed organizations, the University of Maryland, the University of Maryland Center for Environmental Science, other academic institutions, qualified scientific contractors and nonprofit organizations with demonstrated expertise in water quality monitoring and aquatic ecosystem assessment; (2) updates regarding potential impacts to Maryland ratepayers or other direct Maryland costs; details on the pump bypass system performance and any subsequent leakages, spills, and overflows; Potomac Interceptor repair status; (3) canal, National Park, and ecological restoration; (4) a plan for updates on a continuous water quality monitoring program and ecosystem assessment that tests for bacteria, nutrients, dissolved oxygen, and other relevant ecological indicators; and (5) environmental remediation. The monthly status reports are requested to begin as soon as practicable but not later than June 1, 2026, and continue until the risk to public health and the environment has been reduced to a de minimis level due to complete and permanent repair, and to be posted on MDE's website by the close of business of the first Friday following submission.*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
<i>Oversight failures at the Potomac Interceptor and plan for coordinated, ongoing water quality monitoring</i>	<i>MDE</i>	<i>June 1, 2026</i>
<i>Potomac Interceptor status reports</i>	<i>MDE</i>	<i>Monthly beginning not later than June 1, 2026, and continue until the risk to public health and the environment has been reduced to a de minimis level with postings on MDE's website by the close of business of the first Friday following submission.</i>

### **U00A07.01                      Air and Radiation Administration**

#### **Committee Narrative**

**Energy Use Intensity Costs and Alternatives Reporting for Building Energy Performance Standards:** The General Assembly restricted funding in the Maryland Department of the Environment's (MDE) fiscal 2024 operating budget pending the submission of a report on energy use intensity costs and alternatives to energy use intensity for meeting greenhouse gas emission

*Transportation and the Environment Subcommittee – Operating Budget, March 2026*

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targets. MDE could not submit this information during fiscal 2025 because it will not receive the underlying data that needs to be analyzed until June 30, 2026. Therefore, the budget committees request that MDE submit by December 1, 2026, a report on energy use intensity costs and alternatives to energy use intensity for meeting greenhouse gas emission targets, which shall include:

- an assessment of the energy use intensity requirement compliance cost to owners of covered buildings;
- a recommendation for an alternative compliance fee for energy use intensity on building owners, after taking into account any financial incentives offered to the covered building owners;
- an evaluation of mechanisms other than energy use intensity to meet greenhouse gas emission targets; and
- an economic feasibility study of meeting energy use intensity standards, which shall consider factors including, but not limited to, building age, technological limitations, and limits of building resources and include recommendations addressing covered buildings and underresourced buildings that, after considering all possible incentives, including avoided penalties and fees, would still result in building noncompliance with greenhouse gas emission regulations and targets.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Energy use intensity costs and alternatives reporting for building energy performance standards	MDE	December 1, 2026

**U10B00**  
**Maryland Environmental Service**

**U10B00.41          General Administration**

**Committee Narrative**

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

- undesignated, unrestricted net assets for fiscal 2026, 2027, and 2028 estimated and an explanation for any changes between each of these years, including revenues credited to and expenditures debited from the net assets;
- overhead rates for fiscal 2026, 2027, and 2028 estimated;
- project reserve fund status by beginning balance, approved retainage, funds withdrawn, and interest earned for fiscal 2026 and 2027 for the State Reimbursable Project Contingency Fund, the Eastern Correctional Institution Steam Turbine Contingency Fund, the Department of Natural Resources Project Contingency Fund, and any other project reserve funds created by MES, including the justification for any approved retainages or funds withdrawn in any project reserve fund during fiscal 2026 or 2027; and
- justification for the changes in reimbursable projected funding for fiscal 2026, 2027, or 2028 estimated.

The report should be submitted in coordination with the Department of Budget and Management (DBM) with the fiscal 2028 budget submission.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
MES funding statement	MES DBM	With the fiscal 2028 budget submission