

# **Decision Document**

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**Senate Budget and Taxation Committee  
Full Committee  
2026 Session**



**A15000**

**Civil Divisions of the State**

**Amount  
Change**

**Position  
Change**

**Agency Response  
Hearing Notes**

**Senate  
Decisions**

**House  
Decisions**

1. Concur with Governor's allowance.

**B75A01**

**General Assembly of Maryland**

<b><u>Amount</u></b>	<b><u>Position</u></b>	<b>Agency Response</b>	<b><u>Senate</u></b>	<b><u>House</u></b>
<b><u>Change</u></b>	<b><u>Change</u></b>	<b><u>Hearing Notes</u></b>	<b><u>Decisions</u></b>	<b><u>Decisions</u></b>

1. Concur with the budget as approved by the Legislative Policy Committee.

**D24**

**Department of Social and Economic Mobility**

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

# D38I01

## State Board of Elections

Amount  
Change

Position  
Change

Agency Response  
Hearing Notes

Senate  
Decisions

House  
Decisions

1. Adopt the following narrative:

Concur

**Quarterly Reports on all Major Information Technology Development Projects (MITDP):** The State Board of Elections (SBE) is implementing four ongoing MITDPs for a statewide pollbook system replacement, new voting system, Voter Registration and Election Administration Modernization Project, and a new Campaign Reporting Information System. The committees remain interested in monitoring the progress of SBE's implementation of the MITDPs. The committees request that SBE submit quarterly reports on all MITDP activities and expenditures separately for each of the four projects through their completion. Each report should include the following for each project:

- a description of activities undertaken during the quarter, including dates, identification of achieved milestones or delays, and an assessment of how any delays affect the overall project timeline;
- actual project spending by month for the quarter, cumulative project expenditures to date, including total spending since project inception and remaining estimated funding by fund source;
- any changes to the project's approved cost baseline, including explanations for increases or decreases in total estimated project costs;
- an assessment of future risks to the project timeline and planned mitigation strategies; and
- identification of key upcoming milestones and external dependencies, including vendor deliverables, federal certification

# D38I01

## State Board of Elections

**Amount  
Change**

**Position  
Change**

**Agency Response  
Hearing Notes**

**Senate  
Decisions**

**House  
Decisions**

requirements, and coordination with local boards of elections, that could affect project readiness for upcoming election cycles.

**Information Request**

**Author**

**Due Date**

Quarterly report on all  
MITDPs

SBE

July 15, 2026  
October 15, 2026  
January 15, 2027  
April 15, 2027

# F10A

## Department of Budget and Management – Secretary

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
1. Add the following section:			Disagree		
<p>SECTION 2. AND BE IT FURTHER ENACTED, That in order to carry out the provisions of these appropriations the Secretary of Budget and Management is authorized:</p> <p>(a) To allot all or any portion of the funds herein appropriated to the various departments, boards, commissions, officers, schools and institutions by monthly, quarterly or seasonal periods and by objects of expense <del>and may place any funds appropriated but not allotted in contingency reserve available for subsequent allotment. Upon the Secretary's own initiative or upon the request of the head of any State agency, the Secretary may authorize a change in the amount of funds so allotted.</del></p> <p>The Secretary shall, before the beginning of the fiscal year, file with the Comptroller of the Treasury a <del>schedule of allotments, if any a list limited to the appropriations restricted in this Act to be placed in contingency reserve.</del> The Comptroller shall not authorize any expenditure or obligation in excess of the allotment made and any expenditure so made shall be illegal.</p> <p><del>(b) To allot all or any portion of funds coming into the hands of any department, board, commission, officer, school and institution of the State, from sources not estimated or calculated upon in the budget.</del></p> <p><del>(c)</del> (b) To fix the number and classes of positions, including temporary and permanent positions, or person years of authorized employment for each agency, unit, or program thereof, not inconsistent with the Public General Laws in regard to classification of positions. The Secretary shall make such determinations before the beginning of the fiscal year and shall base them on the positions or person years of employment authorized in the budget as amended by approved budgetary position actions. No payment for salaries or wages nor any request for or certification of personnel shall be made</p>					

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**Department of Budget and Management – Secretary**

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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except in accordance with the Secretary’s determinations. At any time during the fiscal year the Secretary may amend the number and classes of positions or person years of employment previously fixed by the Secretary; the Secretary may delegate all or part of this authority. The governing boards of public institutions of higher education shall have the authority to transfer positions between programs and campuses under each institutional board’s jurisdiction without the approval of the Secretary, as provided in Section 15-105 of the Education Article.

(d) (c) To prescribe procedures and forms for carrying out the above provisions.

**Explanation:** This language limits the amount of appropriations that can be placed into contingency reserve to only those items restricted by the Maryland General Assembly.

2. Add the following section: Disagree

SECTION 17. AND BE IT FURTHER ENACTED, That funds appropriated to the various State agency programs and subprograms in Comptroller Objects 0152 (Health Insurance), 0154 (Retirees Health Insurance Premiums), 0175 (Workers’ Compensation), 0217 (Health Insurance), 0305 (Department of Budget and Management Paid Telecommunications), 0839 (Human Resources Shared Services), 0874 (Office of Attorney General Administrative Fee), 0876 (Department of Information Technology Information Technology Services Allocation), 0894 (State Personnel System Allocation), 0897 (Enterprise Budget System Allocation), and 1303 (rent paid to the Department of General Services) are to be utilized for their intended purposes only. ~~The expenditure or transfer~~

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### Department of Budget and Management – Secretary

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
<p><del>of these funds for other purposes requires the prior approval of the Secretary of Budget and Management.</del> Notwithstanding any other provision of law, the Secretary of Budget and Management may transfer amounts appropriated in Comptroller Objects 0152, 0154, 0217, 0305, and 0876 between State departments and agencies by approved budget amendment in fiscal 2026 and 2027. All funds budgeted in or transferred to Comptroller Objects 0152 and 0154 and any funds restricted in this budget for use in the employee and retiree health insurance program that are unspent shall be credited to the fund as established in accordance with Section 2-516 of the State Personnel and Pensions Article.</p>				

Further provided that each agency that receives funding in this budget in any of the restricted Comptroller Objects listed within this section shall establish within the State’s accounting system a structure of accounts to separately identify for each restricted Comptroller Object, by fund source, the legislative appropriation, monthly transactions, and final expenditures. It is the intent of the General Assembly that an accounting detail be established so that the Office of Legislative Audits may review the disposition of funds appropriated for each restricted Comptroller Object as part of each closeout audit to ensure that funds are used only for the purposes for which they are restricted and that unspent funds are reverted or canceled.

**Explanation:**

This language pertaining to restricted objects of expenditures is amended to disallow transfers to other purposes and makes it possible for the Office of Legislative Audits to track the disposition of funds in restricted statewide subobjects.

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**Department of Budget and Management – Secretary**

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
3.					

Concur

**Section XX Executive Long-term Forecast**

SECTION XX. AND BE IT FURTHER ENACTED, That the Governor’s budget books shall include a forecast of the impact of the executive budget proposal on the long-term fiscal condition of the General Fund, the Transportation Trust Fund, the Blueprint for Maryland’s Future Fund, and higher education Current Unrestricted Fund accounts. This forecast shall estimate aggregate revenues, expenditures, and fund balances in each account for the fiscal year last completed, the current year, the budget year, and four years thereafter. Expenditures shall be reported at such agency, program or unit levels, or categories as may be determined appropriate after consultation with the Department of Legislative Services. A statement of major assumptions underlying the forecast shall also be provided including, but not limited to, general salary increases, inflation, and growth of caseloads in significant program areas.

**Explanation:**

This annual language provides for the delivery of the Executive’s General Fund, transportation, Blueprint for Maryland’s Future Fund, and higher education forecasts and defines the conditions under which it is to be provided.

**Information Request**

**Author**

**Due Date**

Executive forecasts

Department of Budget and Management

With submission of the Governor’s Fiscal 2028 Budget Books

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**Department of Budget and Management – Secretary**

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
4.					

**Section XX Across-the-board Reductions and Higher Education**

SECTION XX. AND BE IT FURTHER ENACTED, That all across-the-board reductions applied to the Executive Branch, unless otherwise stated, shall apply to current unrestricted and general funds in the University System of Maryland, St. Mary’s College of Maryland, Morgan State University, and Baltimore City Community College.

**Explanation:** This section explicitly applies reductions intended for the full Executive Branch to the University System of Maryland, St. Mary’s College of Maryland, Morgan State University, and Baltimore City Community College unless their exclusion is specifically stated.

5.					
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**Section XX Reporting Federal Funds**

SECTION XX. AND BE IT FURTHER ENACTED, That the Governor’s budget books shall include a summary statement of federal revenues by major federal program sources supporting the federal appropriations made therein along with the major assumptions underpinning the federal fund estimates. The Department of Budget and Management (DBM) shall exercise due diligence in reporting this data and ensure that they are updated as appropriate to reflect ongoing congressional action on the federal budget. In addition, DBM shall provide to the Department of Legislative Services (DLS) data for the actual, current, and budget years listing the components

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**Department of Budget and Management – Secretary**

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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of each federal fund appropriation by Catalog of Federal Domestic Assistance number or equivalent detail for programs not in the catalog. Data shall be provided in an electronic format subject to the concurrence of DLS.

**Explanation:** This annual language provides for consistent reporting of federal monies received by the State.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Reporting components of each federal fund appropriation	DBM	With submission of the Governor’s Fiscal 2028 Budget Books

6. Add the following section: Concur

**Section XX Federal Fund Spending**

SECTION XX. AND BE IT FURTHER ENACTED, That in the expenditure of federal funds appropriated in this budget or subsequent to the enactment of this budget by the budget amendment process:

- (1) State agencies shall administer these federal funds in a manner that recognizes that federal funds are taxpayer dollars that require prudent fiscal management, careful application to the purposes for which they are directed, and strict attention to budgetary and accounting procedures established for the administration of all public funds.
- (2) For fiscal 2027, except with respect to capital appropriations, to the extent consistent with federal requirements:

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### Department of Budget and Management – Secretary

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
(a)					
<u>when expenditures or encumbrances may be charged to either State or federal fund sources, federal funds shall be charged before State funds are charged except that this policy does not apply to the Department of Human Services with respect to federal Temporary Assistance for Needy Families funds to be carried forward into future years;</u>					
(b)					
<u>when additional federal funds are sought or otherwise become available in the course of the fiscal year, agencies shall consider, in consultation with the Department of Budget and Management (DBM), whether opportunities exist to use these federal revenues to support existing operations rather than to expand programs or establish new ones; and</u>					
(c)					
<u>DBM shall take appropriate actions to effectively establish the provisions of this section as policies of the State with respect to the administration of federal funds by executive agencies.</u>					

**Explanation:**

This annual language defines the policies under which federal funds shall be used in the State budget.

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## Department of Budget and Management – Secretary

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
7.	Add the following section:		Concur		

### Section XX Reporting on Budget Data and Organizational Charts

SECTION XX. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that all State departments, agencies, bureaus, commissions, boards, and other organizational units included in the State budget, including the Judiciary, shall prepare and submit items for the fiscal 2028 budget detailed by Comptroller subobject classification in accordance with instructions promulgated by the Comptroller of Maryland. The presentation of budget data in the Governor’s budget books shall include object, fund, and personnel data in the manner provided for in fiscal 2027 except as indicated elsewhere in this Act; however, this may not preclude the placement of additional information into the budget books. For actual fiscal 2026 spending, the fiscal 2027 working appropriation, and the fiscal 2028 allowance, the budget detail shall be available from the Department of Budget and Management (DBM) automated data system at the subobject level by subobject codes and classifications for all agencies. To the extent possible, except for public higher education institutions, subobject expenditures shall be designated by fund for actual fiscal 2026 spending, the fiscal 2027 working appropriation, and the fiscal 2028 allowance. The agencies shall exercise due diligence in reporting this data and ensuring correspondence between reported position and expenditure data for the actual, current, and budget fiscal years. This data shall be made available on request and in a format subject to the concurrence of the Department of Legislative Services (DLS). Further, the expenditure of appropriations shall be reported and accounted for by the subobject classification in accordance with the instructions promulgated by the Comptroller of Maryland.

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### Department of Budget and Management – Secretary

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Change

Position  
Change

Agency Response  
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Senate  
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Further provided that due diligence shall be taken to accurately report full-time equivalent (FTE) counts of contractual FTEs in the budget books. For the purpose of this count, contractual FTEs are defined as those individuals having an employee-employer relationship with the State. This count shall include those individuals in higher education institutions who meet this definition but are paid with additional assistance funds.

Further provided that DBM shall provide to DLS with the allowance for each department, unit, agency, office, and institution, a one-page organizational chart in Microsoft Word or Adobe PDF format that depicts the allocation of personnel across operational and administrative activities of the entity.

Further provided that for each across-the-board reduction to appropriations or positions in the fiscal 2028 Budget Bill affecting fiscal 2027 or 2028, DBM shall allocate the reduction for each agency in a level of detail not less than the three-digit R\*Stars financial agency code and by each fund type.

Further provided that DBM shall provide to DLS special and federal fund accounting detail for the fiscal year last completed, current year, and budget year for each fund. The account detail, to be submitted with the allowance, should at a minimum provide revenue and expenditure detail, along with starting and ending balances.

Further provided that DBM shall provide to DLS by September 1, 2026, a list of subprograms used by each department, unit, agency, office, and institution, along with a brief description of the subprograms' purpose and responsibilities.

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**Department of Budget and Management – Secretary**

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
<b>Explanation:</b>	This annual language provides for consistent reporting of fiscal 2026, 2027, and 2028 budget data and provides for the submission of department, unit, agency, office, and institutions’ organizational charts to DLS with the allowance. It also requires DBM to allocate across-the-board reductions to positions or funding to ensure transparency in budget allocations.				

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Agency organizational charts and special federal fund accounting detail List of subprograms	DBM DBM	With submission of the Governor’s Fiscal 2028 Budget Books September 1, 2026

8. Add the following section: Concur

**Section XX Interagency Agreements**

SECTION XX. AND BE IT FURTHER ENACTED, That on or before August 1, 2026, each State agency and each public institution of higher education shall report to the Department of Budget and Management (DBM) any agreements in place for any part of fiscal 2026 between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 over the term of the agreement. Further provided that DBM shall provide direction and guidance to all State agencies and public institutions of higher education as to the procedures and specific elements of data to be reported with respect to these interagency agreements, to include at a minimum:

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### Department of Budget and Management – Secretary

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
(1)	<u>a common code for each interagency agreement that specifically identifies each agreement and the fiscal year in which the agreement began;</u>				
(2)	<u>the starting date for each agreement;</u>				
(3)	<u>the ending date for each agreement;</u>				
(4)	<u>a total potential expenditure, or not-to-exceed dollar amount, for the services to be rendered over the term of the agreement by any public institution of higher education to any State agency;</u>				
(5)	<u>a description of the nature of the goods and services to be provided;</u>				
(6)	<u>the total number of personnel, both full- and part-time, associated with the agreement;</u>				
(7)	<u>contact information for the agency and the public institution of higher education for the person(s) having direct oversight or knowledge of the agreement;</u>				
(8)	<u>total indirect cost recovery or facilities and administrative (F&amp;A) expenditures authorized for the agreement;</u>				
(9)	<u>the indirect cost recovery or F&amp;A rate for the agreement and brief description of how the rate was determined;</u>				
(10)	<u>actual expenditures for the most recently closed fiscal year;</u>				
(11)	<u>actual base expenditures that the indirect cost recovery or F&amp;A rate may be applied against during the most recently closed fiscal year;</u>				

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### Department of Budget and Management – Secretary

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
(12)					
<u>actual expenditures for indirect cost recovery or F&amp;A for the most recently closed fiscal year; and</u>					
(13)					
<u>total authorized expenditures for any subaward(s) or subcontract(s) being used as part of the agreement and a brief description of the type of award or contract.</u>					

Further provided that DBM shall submit a consolidated report to the budget committees and the Department of Legislative Services by December 1, 2026, that contains information on all agreements between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 that were in effect at any time during fiscal 2026.

Further provided that no new higher education interagency agreement with State agencies with a projected value in excess of \$500,000 may be entered into during fiscal 2027 without prior approval of the Secretary of Budget and Management.

**Explanation:**

This annual language requires DBM to report on all interagency agreements between State agencies and public institutions of higher education having a total potential expenditure over the term of the agreement in excess of \$100,000. This applies only to agreements for the purchase of goods and/or services and does not apply to grants or space agreements. Further, it requires that no new higher education interagency agreement with State agencies with a projected value in excess of \$500,000 be entered into during fiscal 2027 without prior approval of the Secretary of Budget and Management.

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**Department of Budget and Management – Secretary**

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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**Information Request Author**

**Due Date**

Consolidated report on DBM  
interagency  
agreements

December 1, 2026

9. Add the following section:

Concur in part - Agency  
requests lenience in enforcing  
October 31 deadline.

**Section XX Budget Amendments**

SECTION XX. AND BE IT FURTHER ENACTED, That any budget amendment to increase the total amount of special, federal, or higher education (current restricted and current unrestricted) fund appropriations, or to make reimbursable fund transfers from the Governor’s Office of Crime Prevention and Policy or the Maryland Department of Emergency Management made in Section 1 of this Act shall be subject to the following restrictions:

- (1) This section may not apply to budget amendments for the sole purpose of:
  - (a) appropriating funds available as a result of the award of federal disaster assistance; and
  - (b) transferring funds from the State Reserve Fund – Economic Development Opportunities Account for projects approved by the Legislative Policy Committee (LPC).

Budget amendments increasing total appropriations in any fund account by \$100,000 or more may not be approved by the Governor until:

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### Department of Budget and Management – Secretary

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
(a)	<u>that amendment has been submitted to the Department of Legislative Services (DLS); and</u>				
(b)	<u>the budget committees or LPC has considered the amendment or 45 days have elapsed from the date of submission of the amendment. Each amendment submitted to DLS shall include a statement of the amount, sources of funds and purposes of the amendment, and a summary of the impact on regular position or contractual full-time equivalent payroll requirements.</u>				
(2)	<u>Unless permitted by the budget bill or the accompanying supporting documentation or by any other authorizing legislation, and notwithstanding the provisions of Section 3 216 of the Transportation Article, a budget amendment may not:</u>				
(a)	<u>restore funds for items or purposes specifically denied by the General Assembly;</u>				
(b)	<u>fund a capital project not authorized by the General Assembly provided, however, that subject to provisions of the Transportation Article, projects of the Maryland Department of Transportation (MDOT) shall be restricted as provided in Section 1 of this Act;</u>				
(c)	<u>increase the scope of a capital project by an amount 7.5% or more over the approved estimate or 5.0% or more over the net square footage of the approved project until the amendment has been submitted to DLS, and the budget committees have considered and offered comment to the Governor, or 45 days have elapsed from the date of</u>				

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### Department of Budget and Management – Secretary

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
					<u>submission of the amendment. This provision does not apply to MDOT; and</u>
					<u>(d) provide for the additional appropriation of special, federal, or higher education funds of more than \$100,000 for the reclassification of a position or positions.</u>
<u>(3)</u>					<u>A budget may not be amended to increase a federal fund appropriation by \$100,000 or more unless documentation evidencing the increase in funds is provided with the amendment and fund availability is certified by the Secretary of Budget and Management.</u>
<u>(4)</u>					<u>No expenditure or contractual obligation of funds authorized by a proposed budget amendment may be made prior to approval of that amendment by the Governor.</u>
<u>(5)</u>					<u>Notwithstanding the provisions of this section, any federal, special, or higher education fund appropriation may be increased by budget amendment upon a declaration by the Board of Public Works that the amendment is essential to maintaining public safety, health, or welfare, including protecting the environment or the economic welfare of the State.</u>
<u>(6)</u>					<u>Budget amendments for new major information technology projects, as defined by Sections 3A 301 and 3A 302 of the State Finance and Procurement Article, must include an Information Technology Project Request, as defined in Section 3A 308 of the State Finance and Procurement Article.</u>
<u>(7)</u>					<u>Further provided that the fiscal 2027 appropriation detail as shown in the Governor’s budget books submitted to the General Assembly</u>

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**Department of Budget and Management – Secretary**

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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in January 2027 and the supporting electronic detail may not include appropriations for budget amendments that have not been signed by the Governor, exclusive of the MDOT pay-as-you-go capital program.

(8) Further provided that it is the policy of the State to recognize and appropriate additional special, higher education, and federal revenues in the budget bill as approved by the General Assembly. Further provided that for the fiscal 2028 allowance, the Department of Budget and Management shall continue policies and procedures to minimize reliance on budget amendments for appropriations that could be included in a deficiency appropriation.

(9) Further provided that budget amendments submitted for a fiscal year that has ended must be submitted to the General Assembly no later than October 31 of the next fiscal year to be considered for approval.

**Explanation:** This annual language defines the process under which budget amendments may be used.

10. Add the following section: Concur

**Section XX Maintenance of Accounting Systems**

SECTION XX. AND BE IT FURTHER ENACTED, That:

(1) The Secretary of Health shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2026 in program M00Q01.03 Medical Care Provider Reimbursements and M00Q01.10 Medicaid Behavioral Health



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### Department of Budget and Management – Secretary

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
<p>(6) <u>It is the intent of the General Assembly that general funds appropriated for fiscal 2026 to the programs specified that have not been disbursed within a reasonable period, not to exceed 12 months from the end of the fiscal year, shall revert.</u></p>					

**Explanation:** This annual language requires the maintenance of accounting systems for certain programs, states the intent of the General Assembly that general funds not disbursed be reverted, and requires reporting of disbursements by the Maryland Department of Health (MDH), the Maryland State Department of Education (MSDE), and the Department of Human Services (DHS).

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on appropriations and disbursements in M00Q01.03, M00Q01.10, R00A02.07, and N00G00.01	MDH MSDE DHS	August 15, 2026, and monthly thereafter

**F10A**

**Department of Budget and Management – Secretary**

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
11. Add the following section:			Disagree		

**Section XX Timing of Budget Amendments**

SECTION XX, AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation to the Department of Human Services, \$100,000 of the general fund appropriation of the Maryland Department of Health, \$100,000 of the general fund appropriation of the Department of Commerce, \$100,000 of the general fund appropriation for the Office of the Public Defender, and \$100,000 of the appropriation for the State Department of Assessment and Taxation may not be expended unless the respective agency submitting all fiscal 2026 budget amendments prior to October 31, 2026. Funds restricted pending the receipt of the budget amendments may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

**Explanation:** Fiscal 2026 budget bill language required the Department of Budget and Management to submit all budget amendments to the Department of Legislative Services no later than October 31, 2025. Several agencies submitted budget amendments over a month late, impeding legislative review in some cases and limiting transparency into agency finances. This action restricts funding in agencies that submitted fiscal 2025 budget amendments after November 1, 2025 pending timely submission of fiscal 2026 budget amendments.

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**Department of Budget and Management – Secretary**

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
<b>Information Request</b>					
<b>Author</b>					
<b>Due Date</b>					
Fiscal 2026 budget amendments		Department of Human Services Maryland Department of Health Department of Commerce Office of the Public Defender State Department of Assessment and Taxation			

12. Add the following language: Disagree

~~, provided that this appropriation shall be reduced by \$40,000 contingent upon the enactment of legislation removing the requirement for printed budget books.~~

**Explanation:** This action strikes language that reduces funds contingent on removing the requirement to print budget books. Fiscal 2026 and 2027 include \$40,000 each for this purpose. The Budget Reconciliation and Financing Act of 2026, however, proposes to modify this requirement so that only online publishing is required.

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### Department of Budget and Management – Secretary

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
13. Add the following language:					

Concur

, provided that \$100,000 of this appropriation made for the purpose of administrative expenses may not be expended until the Department of Budget and Management submits a report on the expenditure of federal funds available through the American Rescue Plan Act award for the State Fiscal Relief Fund (SFRF) program. The report shall include a table listing the amount available to the State through each SFRF grant, the amount expended for each fiscal year, and the remaining balance. The report shall identify the reasons why any funds are expected to expire prior to use. The report shall be submitted by September 15, 2026, and the budget committees shall have 45 days from the date of 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:** Appendix O of the Governor’s Fiscal 2027 Budget Highlights showed unexpended balances in federal SFRF monies totaling \$160 million. This language requires a full accounting of SFRF grants to increase transparency and oversight of federal fund spending and maximize utilization of available resources.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
SFRF grant balances	Department of Budget and Management	September 15, 2026

**F10A**

**Department of Budget and Management – Secretary**

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

**Submission of Select Budget Detail:** The committees request that the Department of Budget and Management (DBM) submit complete fiscal 2028 subobject detail by program for Comptroller Objects 08 and 12 by the tenth day of the 2027 legislation session in an electronic format subject to the concurrence of the Department of Legislative Services. Concur

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Comptroller Objects 08 and 12 budget detail	DBM	Tenth day of the 2027 legislation session

**F10A02**

**Department of Budget and Management – Personnel**

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
1. Reduce funding for salary step expansion. This funding is intended to resolve a long-standing administrative dispute regarding the size of each salary step. Due to the fiscal condition of the State, this initiative should be deferred.	-\$42,831,739	GF	Disagree		
	-\$12,848,001	SF			
	-\$8,134,179	FF			
2. Add the following section:			Concur		

**Section XX Positions Abolished in the Budget**

SECTION XX. AND BE IT FURTHER ENACTED, That no position identification number assigned to a position abolished in this budget may be reassigned to a job or function different from that to which it was assigned when the budget was submitted to the General Assembly. Incumbents in positions abolished may continue State employment in another position.

**Explanation:** This language prevents employees from being moved into positions abolished in the budget. It also allows that incumbents in abolished positions may continue State employment in another position.

**F10A02**

**Department of Budget and Management – Personnel**

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
3. Add the following section:					Concur

**Section XX Injured Workers’ Insurance Fund Accounts**

SECTION XX. AND BE IT FURTHER ENACTED, That the General Accounting Division of the Comptroller of Maryland shall establish a subsidiary ledger control account to debit all State agency funds budgeted under subobject 0175 (Workers’ Compensation) and to credit all payments disbursed to the Injured Workers’ Insurance Fund (IWIF) via transmittal. The control account shall also record all funds withdrawn from IWIF and returned to the State and subsequently transferred to the General Fund. IWIF shall submit monthly reports to the Department of Legislative Services concerning the status of the account.

**Explanation:** This section provides continuation of a system to track workers’ compensation payments to IWIF for payments of claims, current expenses, and funded liability for incurred losses by the State.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on the status of ledger control account	IWIF	Monthly beginning July 1, 2026

F10A02

Department of Budget and Management – Personnel

Amount  
Change

Position  
Change

Agency Response  
Hearing Notes

Senate  
Decisions

House  
Decisions

4. Add the following section:

Concur

**Section XX The “Rule of 100”**

SECTION XX. AND BE IT FURTHER ENACTED, That the Board of Public Works (BPW), in exercising its authority to create additional positions pursuant to Section 7-236 of the State Finance and Procurement Article, may authorize during the fiscal year no more than 100 positions in excess of the total number of authorized State positions on July 1, 2026, as determined by the Secretary of Budget and Management. Provided, however, that if the imposition of this ceiling causes undue hardship in any department, agency, board, or commission, additional positions may be created for that affected unit to the extent that an equal number of positions authorized by the General Assembly for the fiscal year are abolished in that unit or in other units of State government. It is further provided that the limit of 100 does not apply to any position that may be created in conformance with specific manpower statutes that may be enacted by the State or federal government nor to any positions created to implement block grant actions or to implement a program reflecting fundamental changes in federal/State relationships. Notwithstanding anything contained in this section, BPW may authorize additional positions to meet public emergencies resulting from an act of God and violent acts of man that are necessary to protect the health and safety of the people of Maryland. BPW may authorize the creation of additional positions within the Executive Branch provided that 1.25 contractual full-time equivalents (FTE) are abolished for each regular position authorized and that there be no increase in agency funds in the current budget and the next two subsequent budgets as the result of this action. It is the intent of the General Assembly that priority is given to converting individuals that have been in contractual FTEs for at least two years. Any position created by this method may not be counted within the limitation of 100 under this section. The numerical limitation on the creation of positions by BPW established in this section

**F10A02**

**Department of Budget and Management – Personnel**

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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may not apply to positions entirely supported by funds from federal or other non-State sources so long as both the appointing authority for the position and the Secretary of Budget and Management certify for each position created under this exception that:

- (1) funds are available from non-State sources for each position established under this exception; and
- (2) any positions created will be abolished in the event that non-State funds are no longer available. The Secretary of Budget and Management shall certify and report to the General Assembly by June 30, 2027, the status of positions created with non-State funding sources during fiscal 2024 through 2027 under this provision as remaining, authorized, or abolished due to the discontinuation of funds.

**Explanation:** This annual language, the Rule of 100, limits the number of positions that may be added after the beginning of the fiscal year to 100 and provides exceptions to the limit.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Certification of the status of positions created with non-State funding sources during fiscal 2023 through 2027	Department of Budget and Management	June 30, 2027

**F10A02**

**Department of Budget and Management – Personnel**

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
5. Add the following section:			Concur		

**Section XX Annual Report on Authorized Positions**

SECTION XX. AND BE IT FURTHER ENACTED, That immediately following the close of fiscal 2026, the Secretary of Budget and Management shall determine the total number of full-time equivalent (FTE) positions that are authorized as of the last day of fiscal 2026 and on the first day of fiscal 2027. Authorized positions shall include all positions authorized by the General Assembly in the personnel detail of the budgets for fiscal 2026 and 2027, including nonbudgetary programs, the Maryland Transportation Authority, the University System of Maryland self-supported activities, and Maryland Correctional Enterprises. The Department of Budget and Management shall also prepare a report during fiscal 2027 for the budget committees upon creation of regular FTE positions through Board of Public Works action and upon transfer or abolition of positions. It shall note, at the program level:

- (1) where regular FTE positions have been abolished;
- (2) where regular FTE positions have been created;
- (3) from where and to where regular FTE positions have been transferred; and
- (4) where any other adjustments have been made. Provision of contractual FTE information in the same fashion as reported in the appendices of the Governor’s Fiscal 2027 Budget Books shall also be provided.

Further provided that this report shall also be submitted as an appendix with the Governor’s Fiscal 2028 Budget Books, and that the report shall provide

**F10A02**

**Department of Budget and Management – Personnel**

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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information that is consistent with information in the individual agency pages of the Budget Books and with data provided to the Department of Legislative Services.

**Explanation:** This annual language provides reporting requirements for regular positions and contractual FTEs.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Total number of FTEs on June 30, 2026, and July 1, 2026 Report on the creation, transfer, or abolition of regular positions	Department of Budget and Management (DBM) DBM	July 14, 2026 With the Governor’s fiscal 2028 budget submission and as needed

6. Add the following section: Concur

**Section XX Annual Report on Health Insurance Receipts and Spending**

SECTION XX. AND BE IT FURTHER ENACTED, That the Secretary of Budget and Management shall include as an appendix in the Governor’s Fiscal 2028 Budget Books an accounting of the fiscal 2026 actual, fiscal 2027 working appropriation, and fiscal 2028 estimated revenues and expenditures associated with the employees’ and retirees’ health plan. The data in this report should be consistent with the budget data submitted to the Department of Legislative Services. This accounting shall include:

- (1) any health plan receipts received from State agencies, as well as prescription rebates or recoveries, or audit recoveries, and other miscellaneous recoveries;

**F10A02**

**Department of Budget and Management – Personnel**

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
(2)	<u>any health plan receipts received from employees and retirees, broken out by active employees, non-Medicare-eligible retirees, and Medicare-eligible retirees;</u>				
(3)	<u>any premium, capitated, or claims expenditures paid on behalf of State employees and retirees for any health, mental health, dental, or prescription plan, as well as any administrative costs not covered by these plans, with health, mental health, and prescription drug expenditures broken out by medical payments for active employees, non-Medicare-eligible retirees, and Medicare-eligible retirees, and prescription drug expenditures broken out by active employees, non-Medicare-eligible retirees, and Medicare-eligible retirees; and</u>				
(4)	<u>any balance remaining and held in reserve for future provider payments.</u>				

**Explanation:** This language provides an accounting of the health plan revenues received and expenditures made on behalf of State employees and retirees. The language proposes that the language in the report be consistent with the budget data submitted with the budget bill.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Accounting of the employee and retiree health plan revenues and expenditures	Department of Budget and Management	With the submission of the Governor’s Fiscal 2028 Budget Books

**F10A02**

**Department of Budget and Management – Personnel**

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

**Section XX Senior Prescription Drug Affordability Program Fund Swap**

SECTION XX. AND BE IT FURTHER ENACTED, That \$3,000,000 of the general fund appropriation made for the purpose of retiree health insurance in program Q00S02.08 Eastern Correctional Institution within the Department of Public Safety and Correctional Services (DPSCS) shall be reduced. DPSCS is authorized to process a budget amendment to replace these funds with special funds from the Senior Prescription Drug Affordability Program Fund for the purpose of funding retiree Health Reimbursement Accounts for certain retirees.

**Explanation:** This action reduces general funds with the intention of replacement with special funds available in the Senior Prescription Drug Affordability Program Fund. These funds will support costs for Health Reimbursement Accounts for certain retirees as authorized in existing law.

8.			Concur		
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, provided that since the Department of Budget and Management (DBM) Office of Personnel Services and Benefits (OPSB) has had four or more repeat audit findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$100,000 of this agency's administrative appropriation may not be expended unless:

**F10A02**

**Department of Budget and Management – Personnel**

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
(1) <u>DBM OPSB has taken corrective action with respect to all repeat audit findings on or before November 1, 2026; and</u>					
(2) <u>a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected.</u>					

The budget committees shall have 45 days from the date of the receipt of the report to review and comment to allow for funds to be released prior to the end of fiscal 2027. 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:**

The Joint Audit and Evaluation Committee has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each agency is to have a portion of its administrative budget withheld pending the adoption of corrective actions by the agency and a determination by OLA that each finding was corrected. OLA shall submit a report to the budget committees on the status of repeat findings.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of funds

**F10A02**

**Department of Budget and Management – Personnel**

**Amount**  
**Change**

**Position**  
**Change**

**Agency Response**  
**Hearing Notes**

**Senate**  
**Decisions**

**House**  
**Decisions**

9. Adopt the following narrative:

Concur

**Health Insurance Account Closeout Report:** The committees request a report on the fiscal 2026 closeout of the Employee and Retiree Health Insurance Account. This report shall include:

- the closing fiscal 2026 fund balance;
- the actual provider payments due in the fiscal year broken out by medical payments for active employees, medical payments for non-Medicare-eligible retirees, medical payments for Medicare-eligible retirees, prescription drug payments for active employees, prescription drug payments for non-Medicare-eligible retirees, and prescription drug payments for Medicare-eligible retirees;
- State employee and retiree contributions, broken out by active employees, non-Medicare-eligible retirees, and Medicare-eligible retirees;
- an accounting of rebates, recoveries, and other costs, broken out into rebates, recoveries, and other costs associated with active employees, non-Medicare-eligible retirees, and Medicare-eligible retirees;
- any closeout transactions processed after the fiscal year ended; and
- actual incurred but not received costs.

**F10A02**

**Department of Budget and Management – Personnel**

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
<b>Information Request</b>					
<b>Author</b>					
<b>Due Date</b>					
Report on fiscal 2026 closeout data for the Employee and Retiree Health Insurance Account					
Department of Budget and Management					
October 1, 2026					

10. Adopt the following narrative: Concur

**Quarterly Medical, Dental, and Prescription Plan:** In recent years, the State has implemented different strategies to contain medical and prescription costs. In fiscal 2026, the State transitioned to a new pharmacy services vendor and the Department of Budget and Management (DBM) began reporting prescription drug costs in different categories than the previous vendor, preventing historical comparisons based on category of medication. The budget committees request that DBM submit quarterly reports on plan performance and reporting methodology of the State’s prescription, medical, and dental plans.

- Medical and dental reports should provide utilization and cost data broken out by plans as well as actives, non-Medicare-eligible retirees, and Medicare-eligible retirees. The reports should include utilization per 1,000 plan participants; unit cost and per member costs for hospital inpatient services; hospital outpatient services; professional inpatient services; professional outpatient services; and ancillary services, provided by the State’s health plans.
  
- Prescription reports should provide information on the highest cost prescription drugs by category of treatment; the prescription drugs accounting for the largest increases in drug spending; the top 25 most costly individual prescription drugs in generic, brand,

**F10A02**

**Department of Budget and Management – Personnel**

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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biologics, and specialty drug categories; recent drug patent expirations; and upcoming new drug patent approvals. Additionally, the reports should include data on the cost drivers and drug trends by actives, non-Medicare retirees, and Medicare retirees.

It is the intent of the committees that the reports should provide reporting consistent with historical reporting where possible. With submission of the first quarterly report, DBM should include an analysis of the differences between the reporting methodologies of the current and previous vendor. The analysis should discuss the feasibility of returning to a reporting methodology consistent with previous reports, including identifying areas where reporting can be consistent and identify reasons for any areas that cannot be reported consistently.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Quarterly State medical, dental, and prescription drug plan performance reports	DBM	September 15, 2026 December 15, 2026 March 15, 2027 June 15, 2027

11. Adopt the following narrative: Concur

**Government Modernization Initiative:** The committees are interested in continuing to receive more information about the Government Modernization Initiative. The committees request that the Department of Budget and Management (DBM) submit a report, due December 15, 2026, detailing the initiatives implemented, the savings achieved for each initiative, and the incentive payments provided to the vendor. The report

## F10A02

### Department of Budget and Management – Personnel

**Amount  
Change**

**Position  
Change**

**Agency Response  
Hearing Notes**

**Senate  
Decisions**

**House  
Decisions**

should provide funding and payment information by fund source. The report should differentiate between one-time and ongoing savings.

**Information Request**

**Author**

**Due Date**

Government  
Modernization Initiative

DBM

December 15, 2026

**G20J01**

**State Retirement Agency**

**Amount  
Change**

**Position  
Change**

**Agency Response  
Hearing Notes**

**Senate  
Decisions**

**House  
Decisions**

1. Concur with Governor's allowance.

**G50L00**

**Maryland Supplemental Retirement Plans**

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

# M00M

## MDH – Developmental Disabilities Administration

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
1.					
Add the following language:			Concur in part - The agency concurs with the submission of the report but requests the deadlines be extended by 2 weeks.		
<u>, provided that \$500,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Department of Health submits a report each quarter to the budget committees on spending for the Developmental Disabilities Administration Community Services program. The report shall include the following monthly and aggregate data on spending in the Long Term Services and Supports system by service delivery model both including and excluding claims for services provided in prior years:</u>					
(1)	<u>spending by service provided;</u>				
(2)	<u>number of participants receiving the service;</u>				
(3)	<u>number of units provided;</u>				
(4)	<u>cost per participant;</u>				
(5)	<u>utilization of services; and</u>				
(6)	<u>annualized cost estimates for the rest of the fiscal year.</u>				
<u>The first report shall be submitted by August 15, 2026, and shall include actual data for the Community Services program for fiscal 2026. The second report shall be submitted by November 15, 2026. The third report shall be submitted by February 15, 2027. The fourth report shall be submitted by May 15, 2027. The funds may be released in \$250,000 increments following the submission of the second and fourth reports. The budget committees shall have 45 days from the date of the receipt of the second and fourth reports to review and comment. Funds restricted pending receipt of these reports may not be transferred by budget amendment or</u>					

**M00M**

**MDH – Developmental Disabilities Administration**

**Amount  
Change**

**Position  
Change**

**Agency Response  
Hearing Notes**

**Senate  
Decisions**

**House  
Decisions**

otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted to the budget committees.

**Explanation:**

The Developmental Disabilities Administration (DDA) has completed transitioning all providers from a prospective payment model in the legacy system to a fee-for-service (FFS) reimbursement model in the Long Term Services and Supports (LTSS) system. This transition included establishing new rates based on a FFS reimbursement model. Following the LTSS transition, actual spending in DDA’s Community Services program has significantly surpassed the legislative appropriation, and community services spending continues to increase in LTSS. This language restricts funds budgeted for administration until the Maryland Department of Health (MDH) submits quarterly reports to the budget committees with monthly spending and utilization data.

**Information Request**

**Author**

**Due Date**

Report on community services spending

MDH

August 15, 2026  
November 15, 2026  
February 15, 2027  
May 15, 2027

## M00M

### MDH – Developmental Disabilities Administration

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

Further provided that \$500,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Department of Health submits a report to the budget committees with an analysis of utilization trends in the Developmental Disabilities Administration (DDA) Community Services program. The report shall include:

- (1) a comparison of aggregate service utilization rates in the Long Term Services and Supports (LTSS) system compared to in the legacy billing system for Residential Services, Meaningful Day Services, and Support Services, and explanation for any changes in service utilization in the LTSS system;
- (2) a comparison of person-centered plan (PCP) budget utilization rates in the LTSS system compared to in the legacy billing system and explanation for any changes in PCP budget utilization in the LTSS system;
- (3) a comparison of service utilization and PCP budget utilization rates of actual spending data for fiscal 2025 and fiscal 2026 and estimated rates for fiscal 2027;
- (4) a description of utilization review controls and systems in place that DDA uses to monitor utilization; and
- (5) an analysis of how changes in service utilization contribute to overall Community Services spending.

The report shall be submitted by September 15, 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 receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and

**M00M**

**MDH – Developmental Disabilities Administration**

**Amount  
Change**

**Position  
Change**

**Agency Response  
Hearing Notes**

**Senate  
Decisions**

**House  
Decisions**

shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:**

DDA has completed transitioning all providers from a prospective payment model in the legacy system to a fee-for-service reimbursement model in the LTSS system. It is unclear how utilization of services has changed from billing in the legacy system to the LTSS system. This language restricts funds pending a report on how utilization of services has changed in LTSS compared to the legacy system and how utilization of services has changed from the first full year of providers transitioned into the LTSS system in fiscal 2025 to fiscal 2026.

**Information Request**

**Author**

**Due Date**

Report on LTSS service utilization trends

Maryland Department of Health September 15, 2026

- 3. Add the following language:

No response - The department acknowledges the recommendation.

Further provided that \$500,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Department of Health submits a report to the budget committees that provides details on cost containment actions implemented in fiscal 2027. The report shall include the following information:

## M00M

### MDH – Developmental Disabilities Administration

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
(1)	<u>a description of all cost containment actions implemented in fiscal 2027, including the number of participants impacted by each action, timeline and status of implementation, and updated estimates of savings;</u>				
(2)	<u>the reasonable and customary wages by service prior to and following the implementation of the cost containment action and comparison to the portion of the rates for the same services in the traditional services model that is attributable to wages; and</u>				
(3)	<u>for the person-centered plan cap, the number of exceptions requested and approved, the number of participants transitioned onto other Medicaid or other State agency programs by the program in which they were transitioned to, and an update on federal approval from the Centers for Medicare and Medicaid Services.</u>				

The 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 pending 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:**

The fiscal 2027 budget contains general fund reductions to account for the implementation of cost containment actions. This language restricts funds pending a report providing detailed information on how cost containment actions in fiscal 2027 are being implemented.

## M00M

### MDH – Developmental Disabilities Administration

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
<p><b>Information Request</b></p> <p>Report on Fiscal 2027 cost containment actions</p>					
<p><b>Author</b></p> <p>Maryland Department of Health</p>					
<p><b>Due Date</b></p> <p>October 1, 2026</p>					
<p>4. Add the following language:</p> <p><u>All appropriations provided for program M00M01.02 Community Services are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose.</u></p> <p><b>Explanation:</b> This annual language restricts funds appropriated to the Community Services program to that use only and prevents budgetary transfers.</p>			<p>No response</p>		
<p>5. Adopt the following narrative:</p> <p><b>Person-Centered Plan (PCP) Review Processing Times:</b> The Developmental Disabilities Administration (DDA) within the Maryland Department of Health (MDH) has three Managing for Results performance goals relating to timeliness of PCP review and approval by Coordinators of Community Services (CCS) and DDA. In fiscal 2025, only 62% of PCPs were submitted in a timely manner by CCS. Individuals must have an approved PCP to receive services, making timely review and approval of plans important to ensure continuity of services for participants. The committees request that MDH provide a report on PCP approval timelines, including for fiscal 2026: the total number of PCPs reviewed and the total number of individuals who did not have an approved PCP prior to their annual renewal date;</p>			<p>Concur</p>		



**X00A00**

**Public Debt**

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

# Y01A

## State Reserve Fund

		<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
1.	Reduce placeholder for legislative priorities. This is a technical action to strike the placeholder appropriation for legislative priorities so that the legislature can add legislative priorities in specified amounts for specified purposes.	-\$30,000,000	GF	Concur		
2.	Add the following section:  <b>Section XX Dedicated Purpose Account Accounting</b>  <u>SECTION XX. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for the purpose of general administration within program F10A01.01 Executive Direction - Office of the Secretary and \$100,000 of the general fund appropriation for the purpose of general administration within program E00A01.01 Executive Direction - Office of the Comptroller may not be expended until the Office of the Comptroller, in collaboration with the Department of Management, submits a report that identifies, for each funding reversion to the Dedicated Purpose Account (DPA) for fiscal 2021 through 2025, the purpose as expressed in the appropriating language to the extent practical and the budget amendment number that authorized the transfer of funds. The report shall be submitted by July 15, 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. It is the intent of the General Assembly that the Comptroller of Maryland, in annual fiscal year-end closeout reports beginning with the fiscal 2026 report, identify the budget amendment of origin for funds returned to the DPA or the budget bill purpose for which it was appropriated.</u>			Disagree - DBM agrees to provide information, but disagrees with the restriction of funds.		

**Y01A**

**State Reserve Fund**

<b><u>Amount</u></b>	<b><u>Position</u></b>	<b><u>Agency Response</u></b>	<b><u>Senate</u></b>	<b><u>House</u></b>
<b><u>Change</u></b>	<b><u>Change</u></b>	<b><u>Hearing Notes</u></b>	<b><u>Decisions</u></b>	<b><u>Decisions</u></b>

**Explanation:** This action adds a section to the budget bill restricting funds in the Department of Budget and Management (DBM) and the Office of the Comptroller, pending submission of a report identifying the purpose to which funds are returned in the DPA. This report will assist in providing a reconciliation of available funds in the DPA. The language also expresses intent that more detail be provided on returned funds in the annual closeout report.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
DPA accounting	Office of the Comptroller DBM	July 15, 2026

3. Add the following language: Concur

~~Legislative Priorities 30,000,000~~

**Explanation:** This action amends line-item appropriations for legislative priorities to be replaced by the General Assembly in separate actions. This is a technical amendment.