



Report of the
Education, Business, and
Administration Subcommittee
To the Senate Budget and Taxation Committee

2026 SESSION

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

General Assembly of Maryland

Senate Budget and Taxation Committee
Education, Business, and Administration Subcommittee

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Recommended Reductions
Education, Business, and Administration Subcommittee

<u>Agency</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Ed Funds</u>	<u>Total Funds</u>
2027 Budget Request					
Department of Commerce	-\$310,120	-\$625,000	\$0	\$0	-\$935,120
Department of Information Technology	-2,281,450	0	0	0	-2,281,450
Maryland Department of Labor	-250,000	0	0	0	-250,000
University of Maryland – College Park	0	0	0	-350,000	-350,000
Maryland Higher Education Commission	-250,000	0	0	0	-250,000
Maryland State Department of Education – Aid to Education	-820,000	0	0	0	-820,000
State Support for Higher Education Institutions	-350,000	0	0	0	-350,000
<i>Subtotal Fiscal 2027 Regular Budget</i>	<i>-\$4,261,570</i>	<i>-\$625,000</i>	<i>\$0</i>	<i>-\$350,000</i>	<i>-\$5,236,570</i>
Fiscal 2027 Total Budget	-\$4,261,570	-\$625,000	\$0	-\$350,000	-\$5,236,570
Grand Total Budget Bill	-\$4,261,570	-\$625,000	\$0	-\$350,000	-\$5,236,570

D05E01
Board of Public Works

D05E01.10 Miscellaneous Grants to Private Nonprofit Groups

Committee Narrative

Maryland Zoo Operational Reporting: In continuance of the practice that began in July 2008, the committees request that the Maryland Zoological Society, Inc. (MZS) submit audited financial statements for fiscal 2026 and quarterly reports showing monthly attendance figures for the zoo for fiscal 2027 by visitor group. This should include a breakdown of the kinds of passes allocated.

Information Request	Author	Due Date
Audited financials	MZS	November 1, 2026
Quarterly reports showing monthly attendance	MZS	July 15, 2026 October 15, 2026 January 15, 2027 April 15, 2027

D18
Governor’s Office for Children

Budget Amendment

Add the following section:

Section 32 Out-of-home Placements Report

SECTION 32. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for the Department of Human Services Social Services Administration, \$100,000 of the general fund appropriation for the Department of Juvenile Services, \$100,000 of the general fund appropriation of the Maryland Department of Health Developmental Disabilities Administration, and \$100,000 of the general fund appropriation of the Maryland State Department of Education may not be expended until the Governor’s Office for Children (GOC) submits a report on behalf of the Children’s Cabinet to the budget committees on out-of-home placements (OOHP) containing:

- (1) the total number and one-day counts (as of October 15) of out-of-home placements OOHPs and entries by jurisdiction, by agency, and by placement type for fiscal 2024, 2025, and 2026;
- (2) the total number and one-day counts (as of October 15) of out-of-state placements, including the number of family home, community-based, and noncommunity-based out-of-state placements for fiscal 2024, 2025, and 2026 categorized by state and by age category;
- (3) the costs associated with OOHPs;
- (4) an examination of recent placement trends;
- (5) findings of child abuse and neglect occurring while families are receiving family preservation services or within one year of each case closure; and
- (6) areas of concern related to trends in OOHPs and/or out-of-state placements and potential corrective actions that the Children’s Cabinet and local management boards can take to address these concerns.

Further provided that each agency or administration that funds or places children and youth in OOHPs shall assist GOC and comply with any data requests necessary for the timely production

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of the report. The report shall be submitted to the budget committees by January 1, 2027, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise for any other purpose. Should the report not be submitted by the requested date, the restricted funds shall revert to the General Fund.

Explanation:

The OOHP report is a report required by § 8-703(e) of the Human Services Article. It is also annually requested to be submitted to the committees. This report is a useful evaluative tool to assess the wellbeing of Maryland's youth and families and to identify areas of concern related to youth placed out of home. This language restricts funds in each of the data reporting agencies and specifies the data of interest to the General Assembly, including agency-specific data for out-of-home and out-of-state placements.

Information Request

OOHP report

Author

Department of Human Services
Department of Juvenile Services
GOC
Maryland Department of Health
Maryland State Department of Education

Due Date

January 1, 2027

Amendment No.

D73

Office of the Inspector General for Education

D73A01.01 Office of the Inspector General

Committee Narrative

Report on Local Cooperation with the Office of the Inspector General for Education: The number of complaints received by the Office of the Inspector General for Education (OIGE) has increased by approximately 43%, from 407 in calendar 2024 to 583 in calendar 2025. The office has indicated that some investigations have been delayed due to challenges obtaining records from certain local education agencies (LEA). In some cases, LEAs require OIGE to obtain subpoenas before providing records. In other cases, records provided were incomplete or did not correspond to the requested documents, requiring additional subpoenas and extending investigation timelines. The committees request that OIGE submit a report identifying the LEAs that required subpoenas for the release of records and describing the factors that contributed to delays in obtaining requested information for cases in calendar 2025 and 2026 year to date.

Information Request	Author	Due Date
Report on Local Cooperation with the Office of the Inspector General for Education	OIGE	August 1, 2026

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	
Total Funds	96,667,765	94,917,765	-1,750,000	

Amendment No.

F50

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 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.

Information Request	Author	Due Date
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

F50

<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	
Total Funds	35,334,097	34,893,946	-440,151	

Amendment No.

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 (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 committees that the report also be submitted to the Governor and the Joint Committee on Cybersecurity, Information Technology, and Biotechnology.

Information Request	Author	Due Date
Report on Agency AI Utilization	DoIT	December 1, 2026

F50

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;
- (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.

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Information Request	Author	Due Date
Report on AI implementation	DoIT DGS	November 1, 2026

Amendment No.

Budget Amendment

F50B04.05 Chief of Staff

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</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

<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	
Total Funds	6,331,686	6,240,387	-91,299	

Amendment No.

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

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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.

Information Request	Author	Due Date
Report on Maryland Benefits	DoIT	December 1, 2026

H00
Department of General Services

Budget Amendment

H00A01.01 Executive Direction

Add the following language to the General Funds appropriation:

, provided that since the Department of General Services (DGS) 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:

- (1) DGS has taken corrective action with respect to all repeat audit findings on or before November 1, 2026; and
- (2) a report is submitted to the budget committees by OLA listing each audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days from the receipt of the report to review and comment to allow for funds to be released prior to the end of fiscal 2027.

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 committees on the status of repeat findings.

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

Amendment No.

H00

Add the following language to the General Funds appropriation:

, provided that \$100,000 of this appropriation made for the purposes of Executive Direction may not be expended until the Department of General Services, in coordination with the Department of Budget and Management and the Department of Planning, submits a status report to the budget committees that provides an assessment and review of the State’s facility and real property asset inventory with recommendations for maximizing the economic efficiency and effectiveness of the State’s assets. The report shall be submitted by December 1, 2026, and include a review and assessment of master planning strategies and policies for (1) facilities programming; (2) determinations concerning purchase versus lease versus construction for office space for State agencies, including the establishment of the criteria and best practice for the development of cost-benefit analysis; and (3) an assessment of the utilization of State-owned and leased space. The budget committees shall have 45 days to review and comment after the date of submission of the report. 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: The committees are interested in receiving a status report that provides an assessment and review of the State’s facility and real property asset inventory with recommendations for maximizing the economic efficiency and effectiveness of the State’s assets. This language restricts funds pending a status report that provides an assessment of the State’s asset maximization strategies.

Information Request	Author	Due Date
Status report on maximization of State assets	Department of General Services Department of Budget and Management	December 1, 2026

Amendment No.

H00

Committee Narrative

Status Report on State Center Complex Agency Relocations and Funding: The relocation of State agencies from the State Center complex to vacant office space within Baltimore City’s Central Business District started in fiscal 2022. A total of \$80 million is appropriated in the Dedicated Purpose Account (DPA) to cover moving expenses, rent, and parking for the first year at new locations; new furniture; cubicles; new information technology (IT) equipment; and relocating existing IT equipment. As of January 2026, \$41.1 million of the DPA funds appropriated for State Center agency relocation have been expended. In anticipation of the State Center agency relocation being completed by the first quarter of calendar 2027, the committees request that DGS submit two reports on the status of the State Center agency relocations and funding, which include:

- the status of moves and new site locations for each agency moving out of the State Center complex in Baltimore City;
- the uses and timing of State Center funds appropriated into the DPA to support State agency moves and demolition; and
- any additional expenditures not reimbursed by the DPA.

Information Request	Author	Due Date
Status of State Center agency relocation, funding, and expenditures	Department of General Services	October 1, 2026 April 1, 2027

Budget Amendment

H00D01.01 Procurement and Logistics

Add the following language to the General Funds appropriation:

, provided that since the Department of General Services – Office of State Procurement (OSP) has had four or more repeat audit findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$250,000 of this agency’s administrative appropriation may not be expended unless:

H00

- (1) OSP has taken corrective action with respect to all repeat audit findings on or before November 1, 2026; and
- (2) 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. 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.

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 action by the agency and a determination by OLA that each finding was corrected. OLA shall submit a report to the committees on the status of repeat findings.

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

Amendment No.

H00G01.01 Office of Design, Construction and Energy

Committee Narrative

Report on the Use of Strategic Energy Investment Funds (SEIF): A provision in the Budget Reconciliation and Financing Act of 2026 authorizes the Governor to use compliance fees deposited into the SEIF for grants or loans to support the creation of new tier 1 renewable energy sources in the State for fiscal 2027 through 2031. The fiscal 2027 allowance for the Department of General Services (DGS) includes \$20 million in special funds as contingent appropriation for the Office of Design, Construction, and Energy. According to DGS, this contingent appropriation will be utilized to subsidize solar installations at State-owned facilities located in underserved and overburdened communities and use the available funds to implement Energy Performance Contracts to decarbonize State facilities that currently burn natural gas and fuel oil. The

H00

committees request DGS to submit a report that identifies the projects supported through the initiative, including the state of project completeness, funds utilized for each project, and the estimated energy savings associated with each project.

Information Request	Author	Due Date
Report on the utilization of the SEIF	DGS	June 1, 2027

Committee Narrative

Report on the Critical Maintenance Backlog Projects: As of January 2026, there are 246 projects in the critical maintenance backlog, which is an increase of 51 projects compared to 195 projects reported in January 2025. The committees request the Department of General Services (DGS) to submit a report on the critical maintenance backlog projects, including project title, project priority, agency currently occupying the facility, and total project cost.

Information Request	Author	Due Date
Report on the critical maintenance backlog projects	DGS	December 15, 2026

P00
Maryland Department of Labor

Budget Amendment

P00G01.07 Workforce Development

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for the Dwyer Workforce Development grant to the fiscal 2026 level.	-250,000	GF
Total Change	-250,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	273.00	273.00		0.00
General Funds	26,570,222	26,320,222	-250,000	
Total Funds	26,570,222	26,320,222	-250,000	

Amendment No.

R00A01
MSDE Headquarters

Budget Amendment

R00A01.01 Office of the State Superintendent

Add the following language to the General Funds appropriation:

, provided that \$100,000 of this appropriation made for the purpose of general administration may not be expended until the Maryland State Department of Education (MSDE) submits a report to the budget committees describing how the agency has implemented feedback and corrective actions from the Office of Legislative Audits related to the January 2026 fiscal compliance audit of the agency. The report shall include the following:

- (1) the procedures in place to ensure that applicants who will have direct access to minors undergo the required preemployment screenings, including criminal history, past disciplinary action, and licensing checks;
- (2) the system in place for monitoring local education agencies' (LEA) class assignment practices to ensure that teachers are only assigned to areas in which they are licensed;
- (3) MSDE's process and capacity for independently reviewing and approving initial educator license applications;
- (4) the procedures established to ensure the accuracy of LEAs' eligibility determinations for prekindergarten funding;
- (5) the status of federal fund reimbursement requests, the outstanding balance of expenditures that are awaiting federal reimbursement, the actions taken to obtain reimbursement in a timely manner, and the system developed to document federal revenues and expenditures;
- (6) the justification for procuring non-competitive contracts, the process for documenting the scope of services required under each agreement, and any steps MSDE has taken to recover funds paid for undelivered services; and

R00A01

- (7) from January 2025 onward, a list of reimbursements owed to 21st Century Community Learning Centers that exceeded the 60-day required window, as well as the agency's justification for delays and the steps in place to ensure timely reimbursements.

The report shall be submitted to the budget committees no later than December 1, 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 revert to the General Fund if the report is not submitted to the budget committees.

Explanation: A January 2026 fiscal compliance audit issued by the Office of Legislative Audits (OLA) contained 11 findings related to MSDE for the period from June 2021 to July 2024. The report disclosed issues with hiring and licensing oversight and financial management, as well as 2 redacted cybersecurity findings. This language restricts funding pending a report discussing OLA's feedback and the changes made to MSDE's oversight and documentation processes.

Information Request	Author	Due Date
Report on hiring, licensing, and financial management oversight	MSDE	December 1, 2026
		Amendment No.

Committee Narrative

Report on Accounting Practices: The committees request that the Maryland State Department of Education (MSDE) submit a closeout report by October 1, 2026. This report should include:

- an explanation for encumbrances and reversions for all general, special, federal, and reimbursable funds for any amount that does not equal zero; and
- expenditures and closeout balances by program for fiscal 2024, 2025, and 2026.

R00A01

Information Request	Author	Due Date
Report on accounting practices	MSDE	October 1, 2026

Committee Narrative

Report on State Education Agency Federal Stimulus Funds: Due to school closures prompted by the COVID-19 pandemic, the Maryland State Department of Education (MSDE) received approximately \$3.6 billion in State Education Agency (SEA) federal stimulus funds. Though most of the funds have been obligated, significant amounts have not been expended. To ensure proper monitoring of the use of these funds, the committees request that MSDE report by January 1, 2027, on all SEA program expenditures distributed as part of Elementary and Secondary School Emergency Relief funds. This report should include:

- grant expenditures by school and program for State-mandated funds allocated to the Maryland School for the Blind, the Maryland School for the Deaf, and the School for Educational Evolution and Development;
- grant procedures, allocations, and expenditures by program for all discretionary allocations;
- expenditures by MSDE department and object for administrative costs; and
- unexpended funds by program, reasons that funds were not allocated or expended, anticipated expenditures of those funds by program for future years, and funds that may have been canceled.

Information Request	Author	Due Date
Report on SEA Elementary and Secondary School Emergency Relief funds	MSDE	January 1, 2027

Committee Narrative

Report on the Maryland Leads Program: The American Rescue Plan Act requires State agencies to spend a designated percentage of Elementary and Secondary School Emergency Relief funds to address learning loss. The Maryland State Department of Education (MSDE) applied these funds to a grant program for local education agencies (LEA), Maryland Leads. To

R00A01

ensure proper oversight of this program and funding, the committees request that MSDE report by December 1, 2026, on the Maryland Leads program. The report should include the following information:

- a summary of progress on Maryland Leads objectives to date;
- LEA implementation plans by Maryland Leads subprogram;
- expenditures by LEA and subprogram for fiscal 2025 and 2026, including expenditures on personnel;
- standardized assessment measures, outcome measures, and progress, by LEA and program, on the framework implemented by MSDE to remediate student learning loss;
- documentation of improvements in literacy and mathematics proficiency, by LEA, grade, and subprogram, as the result of Maryland Leads initiatives; and
- documentation of how MSDE shares Maryland Leads information with the public, either on the MSDE website, LEA websites, or by other means.

Information Request	Author	Due Date
Report on Maryland Leads	MSDE	December 1, 2026

Committee Narrative

Report on Science of Reading (SoR) and State Literacy Policy: In January 2024, the State Board of Education (SBOE) passed Resolution 24-01 adopting SoR as Maryland’s official approach to literacy instruction and required local education agencies (LEA) to align their literacy instruction to SoR starting in the 2024-2025 school year. As part of this resolution, the Maryland State Department of Education (MSDE) was tasked with drafting a comprehensive literacy policy for prekindergarten through third grade that aligned with SoR and MSDE’s strategic plan. MSDE also received a total of \$47.2 million from federal and nonprofit grants to implement initiatives to improve early literacy proficiency and SoR professional development. The committees request that MSDE and the Accountability and Implementation Board (AIB) submit a report by October 1, 2026, on SoR and State literacy policy. The report should include the following information:

R00A01

- a summary of the final version of the State literacy policy adopted by SBOE;
- expenditures on SoR by LEA including allocations through State allocations, Maryland Leads federal stimulus funds, and other federal and nonprofit grants;
- a summary of materials related to readiness for promotion policies, implementation, and LEA reporting;
- a summary of the key objectives in LEA literacy plans submitted to AIB in calendar 2024 and reported progress on these objectives submitted in LEA annual reports due September 2026;
- progress on teacher training, preparation, and support for the State literacy policy and SoR instruction;
- status of the student support model for student reading improvement plans; and
- an updated timeline for completion of the adolescent literacy plan for grades 4 through 12.

Information Request	Author	Due Date
Report on SoR and State literacy policy	AIB MSDE	October 1, 2026

Committee Narrative

Free Driver Education Implementation Plan: The committees request that the Maryland State Department of Education submit an implementation plan by September 1, 2026, describing how local education agencies (LEA) can implement free driver education classes to students enrolled in Career and Technical Education programming for which driver’s licenses are relevant and for students seeking jobs that require a driver’s license for employment. The plan should also discuss the resources needed to provide free driver education for the aforementioned student groups, including estimated annual cost per student. The plan should also provide an estimated timeline for implementing the program and recommend statutory or regulatory changes necessary to address barriers to students securing drivers licenses, such as licensing timelines and instructor qualifications. Finally, the plan should describe lessons learned from implementation of a free driver education pilot in Baltimore City and explain how these lessons will be incorporated into implementation in other LEAs.

R00A01

Information Request	Author	Due Date
Free driver education implementation plan	Maryland State Department of Education	September 1, 2026

R00A01.06 Office of Finance and Operations

Committee Narrative

Report on Chief Financial Officer (CFO) Qualifications: The committees request that the Maryland State Department of Education submit a report by August 1, 2026, with information from all local education agencies on the educational and professional qualifications of each of their CFOs and the job training and professional development provided to them. The description of job training and professional development for CFOs should include the number of days of training and brief summaries of the information covered.

Information Request	Author	Due Date
Report on CFO qualifications	Maryland State Department of Education Local Education Agencies	August 1, 2026

R00A06.01 Maryland Center for School Safety – Operations

Committee Narrative

Report on Safe Schools Fund (SSF) Utilization: The committees request that the Maryland Center for School Safety (MCSS) submit a report by September 1, 2026. The report should include the following:

- allocations and expenditures by local education agency (LEA) for the School Resource Officer grant program; the Hate Crimes Grant; the SSF Grant; and any other one-time grants, programs, or evaluations administrated by MCSS;
- the starting and ending balances for fiscal 2022 through 2026, and projected balances for fiscal 2027 through 2028;

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R00A01

- obstacles to balance utilization and LEA participation; and
- potential solutions to those obstacles.

Information Request	Author	Due Date
Report on SSF utilization	MCSS	September 1, 2026

R00A02
MSDE Aid to Education

R00A02.07 Students With Disabilities

Committee Narrative

Report on the Autism Waiver Program: The committees request a report by October 1, 2026, on the Autism Waiver program, which is managed by the Maryland State Department of Education (MSDE). This status update should provide information on the following:

- the current number of individuals on the Autism Waiver waitlist;
- the number of slots utilized in fiscal 2023 through 2026;
- the number of slots in use in fiscal 2027;
- the average cost per slot in fiscal 2023 through 2026 and forecasted for fiscal 2027 through 2032;
- a timeline for unfreezing enrollment and increasing utilized slots to the target level;
- MSDE’s strategy for managing high program costs, including specific cost containment measures implemented and anticipated savings from these measures; and
- projected costs for Autism Waiver services through fiscal 2032 by year based on the timeline for increasing utilized slots.

Information Request	Author	Due Date
Report on the autism waiver program	MSDE	October 1, 2026

Committee Narrative

Report on the Nonpublic Placement Program: The committees request a report on costs for the Nonpublic Placement program; implementation of nonpublic school special education teacher pay parity related to the Teacher Pay Parity Act (Chapter 648 of 2023); and actions taken by the

R00A02

Maryland State Department of Education (MSDE) to implement this program. The committees request that MSDE submit a report by October 1, 2026, including (1) program closeout data for fiscal 2026 by provider, including annual reimbursement costs and any costs that could not be covered within the fiscal 2026 appropriation; (2) actions taken in calendar 2026 and 2027 to implement Chapter 648; and (3) planned actions related to implementation of Chapter 648 and efforts to achieve pay parity in future years.

Information Request	Author	Due Date
Report on the nonpublic placement program	MSDE	October 1, 2026

Budget Amendment

R00A02.13 Innovative Programs

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete the appropriation for a grant to the Yleana Leadership Foundation, which is no longer in operation.	-70,000	GF
2. Reduce Adult High School Pilot Program general funds to the level of actual expenditures. In fiscal 2025, the program only had two eligible applicants.	-750,000	GF
 Total Change	 -820,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Funds	15,846,834	15,026,834	-820,000	
Total Funds	15,846,834	15,026,834	-820,000	

Amendment No.

R00A02

Committee Narrative

Final Reports on Local Education Agency (LEA) COVID-19 Federal Stimulus Fund Expenditures: In fiscal 2021, 2022, and 2023, LEAs received a total of \$256.6 million as authorized in the RELIEF Act (Chapter 39 of 2021) and allocated in the fiscal 2022 Budget Bill (Chapter 357 of 2021) for tutoring, behavioral health, summer school, school reopening, and transitional supplemental instruction. As part of mandated reporting in Chapter 55 of 2021, the Blueprint for Maryland’s Future Program – Revisions, LEAs were required to report on expenditures of these funds to the General Assembly and the Accountability and Implementation Board through calendar 2023. However, as of December 2025, multiple LEAs still report carrying federal stimulus fund balances. Therefore, the committees request that the LEAs with remaining balances submit a final closeout report by October 1, 2026, consistent with the requirements of the previously mandated report on COVID-19 federal stimulus fund expenditures, which requested the following information: (1) the county board’s use of federal funding to address the effects of the COVID-19 pandemic on education; and (2) State funding received to implement the Blueprint for Maryland’s Future Program, including a description of the amount of funding spent on student instruction. Additionally, as part of this submission, LEAs should review previous reports for this purpose and document corrections in this final report. The jurisdictions that have expended all federal stimulus funds and are therefore exempt are as follows: Allegany County; Anne Arundel County; Frederick County; St. Mary’s County; and Worcester County.

Information Request	Author	Due Date
Reports on LEA COVID-19 expenditures	LEAs	October 1, 2026

Budget Amendment

R00A02.55 Teacher Development

Add the following language to the Special Funds appropriation:

, provided that it is the intent of the General Assembly that public school counselors with National Board Certifications (NBC) receive salary increases equal to those received by public school teachers with NBC.

R00A02

Explanation: This language expresses the intent of the General Assembly that public school counselors with NBC are subject to the same salary increase schedule as public school teachers.

Amendment No.

R00A02.60 **Blueprint for Maryland's Future Transition Grants**

Committee Narrative

Report on Enrollment and Counts for Blueprint for Maryland's Future Programs: The committees request a report by October 1, 2026, on Maryland State Department of Education (MSDE) enrollment collection procedures for free and reduced-price meal (FRPM) students; the count of national board certification (NBC) eligible teachers in the career ladder program; and student counts for the college and career readiness (CCR) program.

For FRPM student enrollment, this report should include data by local education agency (LEA) and school for the Community Eligibility Provision (CEP), including the percentage of FRPM students in the fiscal year prior to entry into CEP; and greater than comparisons by LEA and school used to calculate compensatory education enrollment.

For NBC teachers counts, the report should include the following data by LEA and school-type (either low-performing and non-low-performing) if applicable:

- count of teachers eligible for a fiscal 2026 award and their year of NBC attainment;
- count of teachers who attempted NBC but did not attain it in either school year 2024-2025 or 2025-2026;
- count of teachers attempting NBC in school year 2026-2027;
- count of school counselors who hold NBC in school counseling;
- count of school counselors who have enrolled in, registered for, or submitted at least one component of the National Board for Professional Teaching Standards school counseling certification process during school year 2024-2025 or 2025-2026; and

R00A02

- steps taken by MSDE and LEAs to encourage NBC staff to move to low-performing schools.

For CCR student counts, this report and data should include projected CCR counts and funding from fiscal 2028 through 2031 based on expanded CCR standard.

Information Request	Author	Due Date
Report on enrollment and counts for Blueprint for Maryland’s Future programs	MSDE	October 1, 2026

R00A02.62 College and Career Readiness

Committee Narrative

Report on the Maryland Comprehensive Assessment Program (MCAP): The committees remain interested in tracking the costs for MCAP assessment development and implementation. The committees request by October 1, 2026, that the Maryland State Department of Education (MSDE) submit a report on MCAP, which should include, but is not limited to:

- a timetable for MCAP administration for all assessments for the 2026-2027 and 2027-2028 school years, including field testing and pilots for new assessments;
- details on MCAP measurement of student learning loss in the 2026-2027 school year by local education agency (LEA), subject area, grade level, and assessment, as well as additional steps taken, if any, by MSDE at the State level to measure student learning loss;
- details on MCAP administration in the 2026-2027 and 2027-2028 school years by LEA, program, grade level, and assessment, including alternative assessments and the Kindergarten Readiness Assessment;
- anticipated changes, if any, to assessments for virtual school students in the 2026-2027 and 2027-2028 school years;
- expenditures in fiscal 2026 and 2027, and anticipated allowances for fiscal 2028, for each MCAP assessment, assessments under development, and administration, including contractual expenditures by vendor;

R00A02

- a discussion of reasons for increased costs relative to budgeted expenses for MCAP assessments and how MSDE is working to improve its forecasting of these costs beginning with the fiscal 2028 budget submission;
- information pertaining to any formal review of MCAP assessments and standards in calendar 2027 and 2028 by MSDE, by curriculum and assessment, including any anticipated changes to MCAP assessments as a result of that review and the projected costs of those changes; and
- alignment of MCAP goals and outcomes with Blueprint for Maryland’s Future outcome measures.

Information Request	Author	Due Date
Report on MCAP	MSDE	October 1, 2026

R00A03

MSDE Funding for Educational Organizations

Budget Amendment

R00A03.05

Broadening Options and Opportunities for Students Today

Add the following language to the special fund appropriation:

Further provided that \$569,800 of this appropriation shall be used only to provide an additional award for each student with special needs that is at least equal in amount to the Broadening Options and Opportunities for Students Today (BOOST) Program scholarship award that a student is awarded in accordance with paragraph (6) above.

Further provided that the Maryland State Department of Education (MSDE) shall submit a report to the budget committees by January 15, 2027, that includes the following:

- (1) the number of students receiving BOOST Program scholarships;
- (2) the amount of the BOOST Program scholarships received;
- (3) the number of certified and noncertified teachers in core subject areas for each nonpublic school participating in the BOOST Program;
- (4) the assessments being administered by nonpublic schools participating in the BOOST Program and the results of these assessments. MSDE shall report the assessment results reported by nonpublic schools to the budget committees in an aggregate manner that does not violate student data privacy;
- (5) in the aggregate, for each BOOST Program scholarship awarded (a) the nonpublic school and grade level attended by the student; (b) the school attended in the 2025-2026 school year by the student; and (c) if the student attended the same nonpublic school in the 2025-2026 school year, whether, what type, and how much nonpublic scholarship aid the student received in the 2025-2026 school year and will receive in the 2026-2027 school year;
- (6) the average household income of students receiving BOOST Program scholarships;
- (7) the racial breakdown of students receiving BOOST Program scholarships;

R00A03

- (8) the number of students designated as English language learners receiving BOOST Program scholarships;
- (9) the number of special education students receiving BOOST Program scholarships;
- (10) the county in which students receiving BOOST Program scholarships reside;
- (11) the number of students who were offered BOOST Program scholarships but declined them as well as their reasons for declining the scholarships and the breakdown of students attending public and nonpublic schools for students who declined scholarships;
- (12) the number of students who received BOOST Program scholarships for the 2025-2026 school year who are attending public school for the 2026-2027 school year as well as their reasons for returning to public schools; and
- (13) the number of students who received BOOST Program scholarships for the 2025-2026 school year who withdrew or were expelled from the nonpublic schools they were attending and the reasons for which they withdrew or were expelled; the schools they withdrew or were expelled from; and the length of time students receiving BOOST Program scholarships were enrolled at a nonpublic school before withdrawing or being expelled.

Explanation:

This language requires MSDE to report by January 15, 2027, on the distribution of the BOOST scholarships; information on the students receiving BOOST scholarships; teacher certifications for nonpublic schools participating in the BOOST Program; and assessments being administered in nonpublic schools participating in the BOOST Program, including student performance. The language also requires that MSDE report on students who choose to decline scholarships or attend public schools after participating in the BOOST Program in the past, along with their reasons for doing so, and information on students receiving scholarships for the 2025-2026 school year who withdrew or were expelled from the nonpublic schools that they were attending. Finally, the language requires that the BOOST Advisory Board shall take into account the special needs of students with disabilities as it is determining scholarship award amounts and that \$569,800 of the BOOST appropriation shall be used to provide higher awards for these students.

R00A03

Information Request	Author	Due Date
BOOST Program participation	MSDE	January 15, 2027

Amendment No.

Amend the following language:

, provided that this appropriation shall be for a Broadening Options and Opportunities for Students Today (BOOST) Program that provides scholarships for students who are eligible for the free or reduced price lunch program to attend eligible nonpublic schools. The Maryland State Department of Education (MSDE) shall administer the grant program in accordance with the following guidelines:

- (1) To be eligible to participate in the BOOST Program, a nonpublic school must:
 - (a) have participated in Program R00A03.04 Aid to Non-Public Schools Program for textbooks and computer hardware and software administered by MSDE during the ~~2024-2025~~ 2025-2026 school year;
 - (b) provide more than only prekindergarten and kindergarten programs;
 - (c) administer national, norm-referenced standardized assessments chosen from the list of assessments published by the U.S. Department of Education ~~used for the 2024-25 school year~~ to qualify nonpublic schools for the National Blue Ribbon Schools Program. The nonpublic schools must administer the assessments to all students as follows:
 - (i) English/language arts and mathematics assessments each year for students in grades 3 through 8, and at least once for students in grades 9 through 12; and
 - (ii) a science assessment at least once for students in grades 3 through 5, at least once for students in grades 6 through ~~8~~ 9, and at least once for students in grades ~~9~~ 10 through 12; and

R00A03

- (d) comply with Title VI of the Civil Rights Act of 1964 as amended, Title 20, Subtitle 6 of the State Government Article, and not discriminate in student admissions, retention, or expulsion or otherwise discriminate against any student on the basis of race, color, national origin, sexual orientation, or gender identity or expression. Nothing herein shall require any school or institution to adopt any rule, regulation, or policy that conflicts with its religious or moral teachings. However, all participating schools must agree that they will not discriminate in student admissions, retention, or expulsion or otherwise discriminate against any student based on race, color, national origin, sexual orientation, or gender identity or expression. If a nonpublic school does not comply with these requirements, it shall reimburse MSDE all scholarship funds received under the BOOST Program for the ~~2025–2026~~ 2026-2027 school year and may not charge the student tuition and fees instead. The only other legal remedy for violation of this provision is ineligibility for participating in the BOOST Program.

Explanation:

This language makes technical changes to align annual language related to the BOOST Program with policies set in the fiscal 2026 Budget Bill. This language specifies that to be eligible to participate in the BOOST Program, a nonpublic school must have participated in the program for textbooks and computer hardware and software administered by MSDE during the prior school year (2025-2026), and must administer national, norm–referenced standardized assessments chosen from the list of assessments published by the U.S. Department of Education to qualify nonpublic schools for the National Blue Ribbon Schools Program. This language also specifies that if a nonpublic school does not comply with these requirements, it shall reimburse MSDE all scholarship funds received under the BOOST Program for the 2026-2027 school year.

Amendment No.

R00A99
MSDE Early Childhood Development

R00A01.04 **Division of Early Childhood**

Committee Narrative

Child Care Scholarship (CCS) Program Quarterly Reports: The Maryland State Department of Education (MSDE) has implemented a series of significant changes under the CCS program. These changes, along with increasing program enrollment, have contributed to higher costs and shortfalls in fiscal 2023 through 2026. In response to these financial pressures, the department has implemented an enrollment freeze as a cost-saving measure to control program expenditures and align them with available funding. The committees request that MSDE submit quarterly reports with the following information:

- monthly CCS expenditures by fund;
- fiscal 2027 year-to-date spending and annualized cost estimates, noting the adequacy of remaining State and federal fund sources;
- the number of scholarships awarded by income eligibility category by month, total expenditures for those scholarships, and average cost per child;
- updates on the CCS waiting list including which income categories are impacted, how many children and families have applied for CCS benefits and been added to the waiting list by county and family income levels;
- information on outreach efforts to families on the waiting list, including how families are notified of their status, any actions required to maintain eligibility, and strategies used to ensure families remain informed during the enrollment freeze;
- the number of children and families removed from the waiting list and subsequently enrolled in the program, disaggregated by county and family income level, including the average length of time on the waiting list prior to enrollment; and
- the total available federal funds updated quarterly including carry over balances from prior years.

R00A99

In its September 2026 report, MSDE should include actual data for the CCS program in the final quarter of fiscal 2026 and aggregate fiscal 2026 data. All reports should provide data on a monthly basis for fiscal 2027 year to date.

Information Request	Author	Due Date
CCS quarterly expenditure reports	MSDE	September 15, 2026 December 15, 2026 March 15, 2027 June 15, 2027

Committee Narrative

Data Collection for the Infant and Early Childhood Mental Health Support Services (IECMHSS) Program: Until fiscal 2025, the Maryland State Department of Education (MSDE) contracted with the University of Maryland School of Social Work to collect statewide data on the IECMHSS Program. The data included information on the demographics of children served, consultations with child care staff and parents or caregivers, program locations, outcomes related to behavioral health, and consultant demographics and salaries. These data were compiled into reports for MSDE and shared with the General Assembly and stakeholders to support program monitoring and quality improvement. MSDE did not renew this contract in fiscal 2025. Although some data are currently collected by the nine IECMHSS programs, the data is not collected consistently across the State and is not reported publicly. The committees request that MSDE submit a report describing how the department is currently collecting these data and include statewide information on the program data previously collected under the contract with the University of Maryland School of Social Work.

Information Request	Author	Due Date
Report on IECMHSS Program data collection	MSDE	August 1, 2026

R12
Accountability and Implementation Board

R12A01.01 Accountability and Implementation Board

Committee Narrative

Status Report on Blueprint Implementation: The committees request that the Accountability and Implementation Board (AIB) submit a report by September 1, 2026, on agency actions to implement Blueprint for Maryland’s Future (Blueprint). This report shall include a timeline and detailed information on the progress in completing and/or implementing the following programs, reports, and measures:

- calendar 2026 and 2027 local education agency (LEA) Blueprint implementation plans and current status relative to minimum school funding requirements;
- calendar 2025 and 2026 State agency Blueprint implementation plans;
- collaboration with the Maryland State Department of Education, the State Board of Education, the Professional Standards and Teacher Education Board, and the teacher preparation workgroup to revise teacher preparation program requirements;
- targeted training on Blueprint and any changes to training and/or funding for the 2026-2027 school year;
- measures taken for any LEAs that did not meet the July 1, 2026 deadline to increase minimum salaries to \$60,000;
- progress on the independent evaluation of Blueprint implementation and outcomes;
- LEA and Career and Technology Education Committee technical assistance Phase I and II grants, including use of funds; roles and responsibilities of strategic facilitators; categorized expenditures by LEA; and AIB collaboration, training, and accountability measures for grantees;
- LEA career ladder implementation plans;

R12

- LEA career counseling programs for middle and high school students and accompanying fiscal reports;
- monthly Blueprint financial reporting on minimum funding requirements; and
- progress to determine Blueprint final outcome measures, baseline data, and targets for early childhood education; college and career readiness; career ladder; student support personnel; or any other outcome measures under development.

Information Request	Author	Due Date
Status report on Blueprint implementation	AIB	September 1, 2026

R30B22

University of Maryland, College Park Campus

Budget Amendment

R30B22.00 University of Maryland, College Park Campus

Add the following language to the Current Unrestricted Funds appropriation:

Further provided that this appropriation made for the purpose of funding the State’s Consumer Health Information Hub at the Herschel S. Horowitz Center for Health Literacy shall be reduced by \$350,000.

Explanation: Chapter 679 of 2022 mandated funding of the Consumer Health Information Hub at the Herschel S. Horowitz Center for Health Literacy from fiscal 2022 through 2026. Though the mandate ended, funding was inadvertently included in the University of Maryland, College Park’s appropriation for this hub.

Amendment No.

R30B30

University of Maryland Global Campus

R30B30.06 Institutional Support

Committee Narrative

National Marketing Campaign: The University of Maryland Global Campus (UMGC) is undertaking a new national campaign to expand its reach, with authorization to spend \$246 million over a three-year period from July 3, 2025, to June 30, 2028. The committees are interested in the results of this campaign. The committees request that UMGC submit a report by December 15, 2026, detailing the amount spent in each fiscal year, as well as the number and dollar value of each media contract used, and the number of new students gained each fiscal year. The report should also include metrics on how the institution determined enrollment gains from the campaign.

Information Request	Author	Due Date
National Marketing Campaign	UMGC	December 15, 2026

Committee Narrative

UMGC Ventures and AccelerEd's Reintegration: Since June 13, 2025, the University of Maryland Global Campus (UMGC) has been reintegrating UMGC Ventures and AccelerEd, its former information technology (IT) office that was spun-off as a High Impact Economic Development Activity. The committees are interested in better understanding the progress of the reintegration and request UMGC submit a report containing the following information as of November 1, 2026:

- the timeline for hiring, including the date hiring began;
- the number of vacant IT positions, including employee class title;
- the status of contracts AccelerEd used for its operations, including if these contracts will continue after reintegration;

R30B30

- the status of revenue-generating contracts AccelerEd had, including if these contracts will continue after reintegration;
- any recoveries related to the original seed investment in AccelerEd and UMGC Ventures and an explanation for why, if some or all funds were not recovered;
- a complete list of UMGC Ventures’ assets and any assets that have been sold since UMGC Ventures began operations, including the price and date of the sale; and
- the status of transferring UMGC Ventures’ ownership in HelioCampus to UMGC.

Information Request	Author	Due Date
Report on Ventures and AccelerEd’s Reintegration	UMGC	December 1, 2026

R62I0001

Maryland Higher Education Commission

Budget Amendment

R62I00.01 General Administration

Add the following language to the General Funds appropriation:

, provided that \$1,000,000 of this appropriation made for general administration may not be expended until the Maryland Higher Education Commission (MHEC) submits a report detailing for each fiscal 2020 through 2025, the appropriation and usage of funds for each grant, scholarship, and loan assistance repayment program administered by MHEC. The report should include, by program, the total appropriation; number of recipients, total amount of awards, program deficit or surplus, if the program had a deficit how the shortfall was covered and if a surplus if the funds were transferred to the Need-Based Student Financial Assistance Fund or another financial assistance program, and an explanation of all transfers of funds including whether transfers to other financial assistance programs occurred by budget amendment or other mechanism. This 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 and shall revert to the General Fund if the report is not submitted.

Explanation: This language restricts funds pending a report from MHEC providing detailed financial information on each grant, scholarship, and loan assistance repayment program administered by MHEC.

Information Request	Author	Due Date
Report on financial details of grant, scholarships and loan assistance repayment programs	MHEC	December 1, 2026

Amendment No.

R62I0001

Add the following language to the General Funds appropriation:

Further provided that \$250,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Higher Education Commission (MHEC) submits a report to the budget committees on the errors related to the Guaranteed Access (GA) grant and Teaching Fellows for Maryland Scholarship in the recent award cycle including:

- (1) an explanation for why students eligible for the GA grant were initially deemed ineligible;
- (2) a discussion of safeguards that will be implemented to prevent students with incomplete information from erroneously being awarded the GA grant;
- (3) a description of all internal controls in place to monitor the accurate awarding of scholarships and grants;
- (4) an explanation for the decision to deem off campus recipients of the Teaching Fellows for Maryland Scholarship to be ineligible to have room and board costs covered after students had already been awarded and subsequent partial reversal; and
- (5) a discussion of MHEC's timeline for making changes in financial assistance awards policy to ensure these decisions are made and disseminated prior to the award period.

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.

Explanation: This action restricts funds pending submission of a report on the errors made in the GA grant awarding process and alterations of guidelines for the Teaching Fellows for Maryland Scholarship. Students who were eligible for the GA grant were initially deemed ineligible, and students with incomplete forms were erroneously given awards. Students residing off campus who were already awarded Teaching Fellows for Maryland Scholarships had some of their funding revoked after a change in guidance from MHEC.

R62I0001

Information Request	Author	Due Date
Report on the GA grant and Teaching Fellows for Maryland Scholarship	MHEC	July 15, 2026

Amendment No.

Add the following language to the General Funds appropriation:

Further provided that \$50,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Higher Education Commission submits a report to the budget committees on the Next Generation Scholars (NGS) program, including:

- (1) the number of NGS seniors for the 2024-2025, 2025-2026, and 2026-2027 academic years;
- (2) the number of NGS seniors who successfully met all of the eligibility requirements, and the number of eligible NGS seniors receiving a guaranteed access award; and
- (3) the number of seniors who later enrolled in a postsecondary institution of higher education in either the summer session or the fall semester and identify to which higher education segment those students enrolled.

The report shall be submitted by December 10, 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: The committees remain interested in determining how many NGS students met the eligibility requirements and later enrolled in a postsecondary institution. A similar report due December 1, 2025, for academic years 2024-2025 and 2025-2026 was requested in the 2025 Joint Chairmen's Report but was not submitted as of February 24, 2026.

R62I0001

Information Request	Author	Due Date
Report on postsecondary outcomes for NGS senior students	Maryland Higher Education Commission	December 10, 2026

Amendment No.

Add the following language to the General Funds appropriation:

Further provided that \$100,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Higher Education Commission submits a report to the budget committees pertaining to the March 2025 audit findings, including the number of:

- (1) cases that are in the backlog for the verification of career-based financial aid awards with service obligations as of June 1, 2026;
- (2) accounts that were referred to the Central Collections Unit in each fiscal year from fiscal 2021 to 2026; and
- (3) positions that were moved to the Service Obligation Unit after the audit.

The report shall be submitted by August 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.

Explanation: This action restricts funds pending the submission of a report providing information pertaining to a finding in the fiscal compliance audit released in March 2025, which involves ensuring career-based financial aid programs with service obligations are tracked and enforced properly.

R62I0001

Information Request	Author	Due Date
Actions to address audit findings	Maryland Higher Education Commission	August 15, 2026

Amendment No.

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the general fund appropriation by \$250,000 as these funds represent a backfill of withheld funds that were not released due to progress not being in resolving repeat audit findings. The Maryland Higher Education Commission may allocate the reduction across general administration program.	-250,000	GF
 Total Change	 -250,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	85.00	85.00		0.00
General Funds	11,432,225	11,182,225	-250,000	
Total Funds	11,432,225	11,182,225	-250,000	

Amendment No.

R62I0010

MHEC – Student Financial Assistance

R62I00.10 Educational Excellence Awards

Committee Narrative

Credit Requirements for Community College Students Receiving Educational Excellence Awards: The committees request that the Maryland Higher Education Commission submit a report by November 1, 2026, that calculates the cost of reducing credit completion requirements during the second academic year for community college students to maintain eligibility for their Educational Excellence Awards grants based on the following standards:

- completing 24 or more credits to maintain the full award; and
- completing 18 or more but less than 24 credits to receive a prorated award.

The report should calculate the costs that would have occurred had the listed credit completion standards been in effect for fiscal 2022 to 2025. The report should also discuss reasons why the rate of ineligibility among community college recipients has consistently exceeded the ineligibility rate for recipients at public and private four-year institutions.

Information Request	Author	Due Date
Credit completion requirements for community college students	Maryland Higher Education Commission	November 1, 2026

Committee Narrative

Impact of Credit Completion Requirement on Financial Aid Awards: The committees remain interested in the impact that the 30-credit-hour requirement had on students in the 2025-2026 academic year and the 2026-2027 awarding year, specifically if students are meeting the requirement in order to receive the full amount of award, how many students had their awards prorated, and how many students lost eligibility. The report should also include the graduation rates of students who completed 30 credit hours compared to those who completed less than 30 credit hours. The report should provide summary data by segment (community colleges, four-year public, and independent institutions) and by institution. The report should identify the

R62I0010

updated funding disbursement, by Educational Excellence Awards (EEA) award type and by total credit attainment grouping, for the students from the most recent review cycle as well as what the total funding amount was, by EEA award type, prior to those students having their award funding amounts revised.

Information Request	Author	Due Date
Impact of credit completion requirements on financial aid awards	Maryland Higher Education Commission	December 1, 2026

R75T0001

State Support for Higher Education Institutions

R75T00.01 Support for State Operated Institutions of Higher Education

Add the following language to the General Funds appropriation:

Further provided that this appropriation for R30B22 University of Maryland, College Park for the purpose of funding the State's Consumer Health Information Hub at the Herschel S. Horowitz Center for Health Literacy shall be reduced by \$350,000.

Explanation: Chapter 679 of 2022 mandated funding of the Consumer Health Information Hub at the Herschel S. Horowitz Center for Health Literacy from fiscal 2022 through 2026. Though the mandate ended, funding was inadvertently included in the University of Maryland, College Park's appropriation for this hub.

Amendment No.

Committee Narrative

Instructional Faculty Workload Report: The committees request that the University System of Maryland (USM), Morgan State University (MSU), and St. Mary's College of Maryland (SMCM) continue to provide annual instructional workload reports for tenured/tenure-track faculty. By focusing on these faculty, the committees gain a sense of the teaching activities for the regular core faculty. However, there are other types of instructional faculty at institutions, such as full- and part-time nontenured/nontenure-track faculty including adjunct faculty, instructors, and lecturers. Focusing on only tenured/tenure-track faculty provides an incomplete picture of how students are taught. Therefore, the report should also include the instructional workload when all types of faculty are considered. Additional information may be included at the institution's discretion. Furthermore, the USM report should include the percent of faculty meeting or exceeding teaching standards for tenured/tenure-track faculty for the University of Maryland, Baltimore Campus.

R75T0001

Information Request	Author	Due Date
Annual report on faculty workload	USM MSU SMCM	December 15, 2026

R95C00
Baltimore City Community College

R95C00.00 Scholarships and Fellowships

Committee Narrative

Enrollment and the Mayor’s Scholars Program (MSP): The committees request a report on MSP that includes updated information on MSP for the 2025-2026 academic year and that identifies what additional actions are being taken to increase enrollment. Additionally, the report should provide the following information on MSP: (1) the number of applications received for all cohorts, the number of students who enrolled each semester, and the number of first-year students who enrolled in the second, third, and fourth year (where applicable); (2) the number of students who participated in the Summer Bridge program for all cohorts; (3) the number of students in all cohorts applicable who have successfully completed at least 15 credits each semester or a total of 30 credits in their academic year; (4) the amount of financial aid provided to scholars in year one, two, three, and four by cohort, including the total amount each year and the average student award; and (5) other funding sources being used to support the program after the end of funding from Baltimore City including amounts by source.

Information Request	Author	Due Date
Enrollment and MSP Data	BCCC	December 1, 2026

T00
Department of Commerce

Budget Amendment

T00A00.01 Office of the Secretary

Add the following language to 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 Commerce submits a report to the budget committees on the utilization of the Small, Minority, and Women-Owned Businesses Account program over the past five years, challenges in deploying the full appropriation, strategies that have been used to increase utilization and the outcome of these strategies, and recommendations for program modifications that could increase program utilization. The report shall be submitted by October 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: The Small, Minority, and Women-Owned Businesses Account (SMWOBA) and its fund managers have been unable to utilize the program’s full appropriation in recent years, leading to a significant balance in the account. The committees request that the Department of Commerce (Commerce) report on challenges in deploying the funds, what strategies have been tried to increase deployment of the funds, and recommendations for program modifications to increase program utilization.

Information Request	Author	Due Date
Report on challenges in utilizing the SMWOBA and recommendations for program modifications	Commerce	October 30, 2026

Amendment No.

T00

Budget Amendment

T00C00.05 Maryland Small Business Development Financing Authority (MSBDFA)

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for Maryland Small Business Development Financing Authority management fees that were overfunded in the allowance due to a data entry error.	-625,000	SF
Total Change	-625,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Special Funds	8,533,375	7,908,375	-625,000	
Total Funds	8,533,375	7,908,375	-625,000	

Amendment No.

Budget Amendment

T00D00.05 Maryland State Arts Council

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce general funds for the Maryland State Arts Council.	-310,120	GF
Total Change	-310,120	0.00

T00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	22.00	22.00		0.00
General Funds	29,688,011	29,377,891	-310,120	
Total Funds	29,688,011	29,377,891	-310,120	

Amendment No.