**SB 148 Testimony (1).pdf** Uploaded by: Alonzo Washington Position: FAV

ALONZO T. WASHINGTON Legislative District 22 Prince George's County

Finance Committee



James Senate Office Building 11 Bladen Street, Room 314 Annapolis, Maryland 21401 410-841-3155 · 301-858-3155 800-492-7122 *Ext.* 3155 *Fax* 410-841-3699 · 301-858-3699 Alonzo.Washington@senate.state.md.us

# THE SENATE OF MARYLAND Annapolis, Maryland 21401

## Testimony in Support of SB 148 - Comprehensive Flood Management Grant Program -Funding for Underserved and Overburdened Communities

Over the past several years, I have seen how the impacts of climate change and flooding can be devastating to a community. Multiple heavy storms created several horrific floods in my District that led to millions in property damage, the closure of small businesses, and the destruction of countless trees and natural landmarks.

Data collected from the National Oceanic and Atmospheric Administration (NOAA) shows that over the past 20 years, rainfall, flooding, and sea level have increased across Maryland, with precipitation growing by 2.63 inches per decade from 2000 to 2020. Precipitation is especially heavy in counties surrounding the Chesapeake Bay. When evaluating precipitation by year, coastal counties were consistently among those with the most precipitation over 20 years, according to analysis of data from NOAA. In 2018, Baltimore City had the highest annual rainfall in Maryland over 20 years, with 73.84 inches.

To help address the burgeoning issue of flooding in our community, I am sponsoring SB 148 to create an appropriation of \$20,000,000 for the State's comprehensive flood management grant program. This program directs funds to counties and municipalities for flood response and mitigation (75% of the cost is paid for by the State, 25% by the locality).

To ensure the funding is used equitably, the bill would require at least 40% of funding provided under the program to be used for projects located in or directly benefitting census tracts that are "overburdened or underserved."

These communities are defined as having at least 25% of the residents qualify as low income, at least 50% of the residents identify as nonwhite, or at least 15% of the residents have limited English proficiency. Adding these terms makes the legislation consistent with the Climate Solutions Now Act passed last year, and this provision helps target funding in communities that have historically been without adequate State support.

This legislation will assist in achieving the State's goal of mitigating the impacts of climate change and creating environmental justice while also providing much-needed support to our local jurisdictions.

For these reasons, I respectfully request a favorable committee report on SB 148.

# SB0148\_Comprehensive\_Flood\_Management\_Grant\_Progra Uploaded by: Cecilia Plante



# TESTIMONY FOR SB0148 COMPREHENSIVE FLOOD MANAGEMENT GRANT PROGRAM – FUNDING FOR UNDERSERVED AND OVERBURDENED COMMUNITIES

Bill Sponsor: Senator Washington Committee: Education, Energy, and the Environment Organization Submitting: Maryland Legislative Coalition Person Submitting: Cecilia Plante, co-chair Position: FAVORABLE WITH AMENDMENTS

I am submitting this testimony in favor of SB0148 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

In Maryland, the Comprehensive Flood Management Grant Program exists to help localities with watershed studies to try to find ways to reduce our exposure to property loss and loss of lives due to flooding. The flooding problem is only getting worse with sea level rise and the effects of violent storms due to climate change.

This bill, if enacted, would raise the total amount set aside for grants from 2,000,000 to 20,000,000. It would also direct 40% of those funds for projects located in or directly benefitting underserved and overburdened communities.

Our members believe that we, as a state, should be more proactive in the face of climate change and protect communities that are at risk of flooding, most particularly those communities that lack the funds to protect themselves.

We support this bill and recommend a **FAVORABLE WITH AMENDMENTS** report in committee.

# **SB0148-EEE\_MACo\_SUP.pdf** Uploaded by: Dominic Butchko



# Senate Bill 148

**Comprehensive Flood Management Grant Program -Funding for Underserved and Overburdened Communities** 

MACo Position: SUPPORT

To: Education, Energy, and the Environment and Budget and Taxation Committees

Date: February 6, 2024

From: Dominic J. Butchko

The Maryland Association of Counties (MACo) **SUPPORTS** SB 148. This bill would provide additional resources for counties undertaking flood management and mitigation efforts, and expand resources targeted to areas with environmental justice concerns.

Counties bear a central role in managing the flood prevention and stormwater infrastructure. This responsibility strikes at the very purpose of government: to provide for the betterment of public health and safety. Local governments operate nearly all the stormwater and flood prevention infrastructure within Maryland, a responsibility local leaders accept with care.

SB 148 expands the Comprehensive Flood Management Grant Program by increasing funding to \$20 million, and requires that at least forty percent of those funds go toward certain communities with high environmental justice concerns. This critical program provides local governments with additional resources to prevent flooding and mitigate against some of the worst impacts of climate change. Without increased state-level investment in flood mitigation or prevention, many of the costs associated with these projects will be borne by local governments, potentially overburdening the scale suitable for local remediation ability.

SB 148 directs investment toward flood mitigation and prevention work that serves all Marylanders. Accordingly, MACo requests a **FAVORABLE** report on SB 148.

# SB148 \_IndivisibleHoCoMD\_FAV\_E.Fixsen.pdf Uploaded by: Elizabeth Fixsen



## SB148

# Comprehensive Flood Management Grant Program - Funding for Underserved and Overburdened Communities Testimony before Education, Energy, and the Environment Hearing February 6, 2024, 1:00 pm Position: FAVORABLE

Dear Chair Sen. Feldman, Vice Chair Sen. Kagan, Sponsor Sen. Washington and members of the committee, my name is Elizabeth Fixsen, and I represent the 700+ members of Indivisible Howard County. Indivisible Howard County is an active member of the Maryland Legislative Coalition (with 30,000+ members). We are providing written testimony today in <u>support of</u> <u>SB148</u>, requiring at least 40% of funding provided under the comprehensive flood management grant program to be used for the benefit of underserved or overburdened communities. The bill also requires that the annual state budget include at least \$20,000,000 for the comprehensive flood management grant program in fiscal year 2026 and each fiscal year thereafter;

As climate change brings more frequent and severe storms, more and more communities in Maryland and beyond are threatened with flooding. Such flooding often impacts low-income neighborhoods more severely. Baltimore's "Black Butterfly" is one such vulnerable community, lying to the east and the west, separated by a "White L" of primarily white populations in between. These vulnerable areas are less equipped to tackle major flooding events compared to the wealthier "White L" areas outside of the Black Butterfly. While funding to repair flood damage can be accessed from FEMA (Federal Emergency Management Association), FEMA's programs face prominent criticism and concerns with inequity in disaster relief and mitigation. From FEMA's own analysis of disaster survivor registrations obtained by NPR, poor renters were 23% less likely to receive help with housing post-disaster.

This bill will help to correct such inequities by ensuring that low-income communities and neighborhoods in Maryland receive an adequate share of flood mitigation and recovery funding.

Thank you for your consideration of this important legislation.

## We respectfully urge a favorable report.

Elizabeth Fixsen Savage, MD

*Source: ArcGIS Story Maps. Flooding Inequity in Maryland and Beyond.* https://storymaps.arcgis.com/stories/186f3433d2b84b12867842dcc32d087d

# SB 148 Comprehensive Flood Management Grant Progra Uploaded by: Humna Sharif



Protecting nature. Preserving life.

The Nature Conservancy Maryland/DC Chapter 425 Barlow Pl., Ste 100 Bethesda, MD 20814 tel (301) 897-8570 fax (301) 897-0858 nature.org

February 6, 2024

**TO:** Brian Feldman, Chair of the Senate Education, Energy, and the Environment Committee, and Committee Members

**FROM:** Humna Sharif, The Nature Conservancy, Climate Adaptation Manager; Cait Kerr, The Nature Conservancy, State Policy Manager

**POSITION:** Support SB 148 Comprehensive Flood Management Grant Program - Funding for Underserved and Overburdened Communities

The Nature Conservancy (TNC) supports SB 148 offered by Senator Alonzo Washington. SB 148 requires the Governor to include in the annual State budget an appropriation for the Comprehensive Flood Management Grant Program of at least \$20 million starting in FY 26. This bill integrates environmental justice considerations by establishing that at least 40% of funding provided under the comprehensive flood management grant program shall be used for projects located in or directly benefiting underserved or overburdened communities.

Maryland has a rich and vibrant coastline linked to the lives and livelihoods of the state's residents, with every passing day our state faces increased threats linked to climate change. In Maryland, sea level is expected to rise approximately one foot by 2050, and three feet by 2100, this will change our state's coastlines dramatically. Sea level rise and increased instances of extreme weather events are urgent climate impacts that will manifest in more flooding along our coastlines. Maryland also faces flooding challenges along stream banks due to erosion and land subsidence. We urgently need increased and sustained funding sources to support local governments' flood resilience efforts – for the health and well-being of Maryland's communities and its natural resources.

Climate change impacts are disparate and are not felt equally by all Marylanders. These impacts, including flooding, often burden those who already face historic inequities. Coastal communities' needs when facing the first and most extreme flooding in our state, especially on the Eastern Shore, have gone unmet for a long time. By ensuring that 40% of new appropriations from the Comprehensive Flood Management Grant Program flow to historically overburdened, underserved and marginalized communities, this bill supports an equitable vision for coastal resilience in Maryland.

Planning for climate change's uncertain impacts, including flooding after storm events, is a highly local and placebased process that is necessary to identify solutions that can meet the unique needs of each community. The increased appropriations, and the environmental justice considerations of SB 148 are an opportunity to catalyze innovative flood management planning. It will bring much needed funding to local governments, allowing them to build flood resilience capacity within their own communities.

Maryland as a state is a leader in taking proactive steps for climate mitigation and adaptation, SB 148 continues to uphold that legacy of bringing critical resources to those who need them most. This bill is consistent with Maryland's 2030 commitments on building the state's adaptive capacity and resilience to flooding.

TNC commends the Senator Washington for introducing this bill. Funding measures in the state must prioritize restorative justice and address historical inequities that have created disparate climate impacts – SB 148 is a step in the right direction. **Therefore, we urge a favorable report on SB 148**.

BaltimoreCounty\_FAV\_SB0148.pdf Uploaded by: John Olszewski Position: FAV



JOHN A. OLSZEWSKI JR.

County Executive

JENNIFER AIOSA Director of Government Affairs

AMANDA KONTZ CARR Legislative Officer

> WILLIAM J. THORNE Legislative Associate

| BILL NO.:  | SB 148  |
|------------|---|
| TITLE:     | Comprehensive Flood Management Grant Program – Funding for Underserved and Overburdened Communities |
| SPONSOR:   | Senator Washington  |
| COMMITTEE: | Education, Energy, and the Environment  |
| POSITION:  | SUPPORT   |
| DATE:      | February 6, 2024  |

Baltimore County **SUPPORTS** SB148 - Comprehensive Flood Management Grant Program – Funding for Underserved and Overburdened Communities and its requirement to dedicate 40% of appropriated funds in the State Disaster Relief Fund (SDRF) underserved and overburdened communities.

Baltimore County has several communities meeting the definition of underserved and overburden. These communities are most often low-to-moderate income residents and are often communities of color. One such community, Turner Station, located in the southeast corner of our county has experienced repeated flooding from rainfall and stormwater runoff, as well as tidal surge that undermines the efficacy of the limited drainage infrastructure. Baltimore County supported the creation of the SDRF last year to bring needed resources to communities that do not qualify for formal disaster designations. Because these impacts are often most acute in communities least able to afford the disruptive impacts, Baltimore County supports dedicated 40% of these resources to our residents who may need them most.

Accordingly, Baltimore County requests a **FAVORABLE** report on SB 148 from the Senate Education, Energy, and the Environment committee. For more information, please contact Jenn Aiosa, Director of Government Affairs at jaiosa@baltimorecountymd.gov.

# **SB148 - CASA Written Testimony.pdf** Uploaded by: Jose Coronado Flores



### Testimony in SUPPORT of SB148 Eload Management Creat Program - Funding for Overburder

Comprehensive Flood Management Grant Program - Funding for Overburdened Communities House - Environment and Transportation Committee Jose Coronado-Flores, On Behalf of CASA

February 6th, 2024

Dear Honorable Chair Feldman and Members of the Committee,

CASA is pleased to offer **favorable testimony in support of SB148 - Comprehensive Flood Management Grant Program - Funding for Overburdened Communities.** CASA is the largest immigrant services and advocacy organization in Maryland, and in the Mid-Atlantic region, with a membership of over 155,000 Black and Latino immigrants and working families.

SB148 is important legislation that will address the inconveniences, damages, and dangers that flooding has on underserved and overburdened communities in Maryland. In particular, CASA is invested in seeing this bill pass, because our members reside in communities where flooding and stormwater management is often inadequate. I want to uplift the story of a CASA member and his family. Oscar R. resides in East Riverdale, MD, in a community that is not only overburdened and underserved as defined by its EJ score but also is in the Anacostia River's floodplain. In 2021 and 2022, Oscar, his wife, and 4 year-old daughter experienced two back-to-back years of devastating flooding that destroyed many of their belongings. They were forced to rebuild not once, but twice. Low-income families across the state have more to lose and less wealth to rebuild.

Furthermore, CASA members reside in Rock Creek Wood Apartments in Rockville, MD. This particular complex is notorious for severe flooding. Flooding in this community goes beyond inconvenience as severe flooding last year resulted in a death and 150 tenants displaced<sup>1</sup>. Property damages, loss of valuables, and the trauma evoked by these events add to the reasons why communities like Rock Creek need better flood management. Looking at the census tract in which this complex lies shows that over 40% of the population is low-income and over 50% is non-white.<sup>2</sup>

Rains and severe weather are only going to intensify and occur more frequently, and, without action, our most vulnerable communities are going to keep suffering. For this reason, CASA urges a favorable report.

Jose Coronado-Flores Research and Policy Analyst jcoronado@wearecasa.org, 240-393-7840

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https://www.wusa9.com/article/news/local/maryland/rock-creek-woods-apartments-flood-sensor-to-be-installed/65-dea97d8-b39b-4569-a262-078520a6d2b9

<sup>&</sup>lt;sup>2</sup> https://mdewin64.mde.state.md.us/EJ/

# SB 148 - FAV - Public Justice Center.pdf

Uploaded by: Matt Hill Position: FAV



**C. Matthew Hill** Attorney Public Justice Center 201 North Charles Street, Suite 1200 Baltimore, Maryland 21201 410-625-9409, ext. 229 hillm@publicjustice.org

# SB 148 – Comprehensive Flood Management Grant Program – Environmental Justice Funding

# Hearing before the Senate Education, Energy, and the Environment Committee, February 6, 2024

# Position: SUPPORT (FAV)

Public Justice Center (PJC) is a nonprofit public interest law firm that assists over 800 renters and their families each year. We stand with tenants to protect and expand their rights to safe, habitable, affordable, and non-discriminatory housing.

Public Justice Center urges you to support of SB 148, a bill to increase the funding available to the Comprehensive Flood Management Grant Program (CFMGP) and to allocate at least 40% of this funding to communities with environmental justice (EJ) concerns and prioritize "overburdened" and "underserved" communities to align with the language in Maryland statute.

PJC's tenant-clients often see the devastating effects of flooding in their apartments first-hand. We can all picture, and many of us have experienced, floodwaters rushing through our streets during a storm, damaging our homes and community infrastructure. Flooding can also have longer term impacts if its effects are not fully remediated, like the presence of black mold in homes, which is an asthma trigger and respiratory irritant. We agree with the Maryland Department of the Environment's assessment of the CFMGP: With climate change resulting in more frequent and intense storms in Maryland, the CFMGP is more relevant now than ever.

This bill, through its allocation of funds to overburdened and underserved communities, recognizes that those who contribute least to climate change are often the ones to suffer first and worst from its consequences. PJC's low income-tenant clients are more likely to have no other option than to live in apartment buildings and other housing that is prone to such flooding and thus suffer these consequences more often.

We thank Senator Washington for his leadership in introducing this bill and urge a favorable report. Public Justice Center asks that the Senate Budget and Taxation Committee **issue a report of FAVORABLE on SB 148.** If you have any questions, please contact C. Matthew Hill <u>hillm@publicjustice.org</u>, (410) 625-9409 Ext. 229

**SB 148 - CBF - FAV .pdf** Uploaded by: Matt Stegman Position: FAV



Environmental Protection and Restoration Environmental Education

## Senate Bill 148

Comprehensive Flood Management Grant Program - Funding for Underserved and Overburdened Communities

| Date: | February 6, 2024                               | Position: | Favorable               |
|-------|--|-----------|-------------------------|
| To:   | Education, Energy, & the Environment Committee | From:     | Matt Stegman            |
|       | Budget & Taxation Committee                    |           | Maryland Staff Attorney |

Chesapeake Bay Foundation (CBF) **SUPPORTS** SB 148 which would increase funding for the Comprehensive Flood Management Grant Program and directing at least 40% of that funding be directed towards projects located in and directly serving overburdened communities. As climate change continues to contribute to persistent flooding issues across Maryland, investment is needed to make communities more resilient.

Communities of color and low-income communities around the region are often hit the hardest by the rising temperatures, extreme weather and more-frequent flooding brought on by climate change. Rapidly rising sea levels mean more "sunny day" or "nuisance" flooding. Driven by high tides, these floods regularly overwhelm roads that residents rely on to get to work or run their daily errands.

While flooding is a persistent issue in need of additional resources in communities across Maryland, this bill importantly recognizes that those who have contributed least to climate change are often the ones who suffer the earliest and most severe consequences of it. This bill provides much-needed resources for communities dealing with flooding issues statewide, but ensures a significant portion of those resources are directed in to communities where they are needed most.

## CBF urges the Committee's FAVORABLE report on SB 148.

For more information, please contact Matt Stegman, Maryland Staff Attorney, at <u>mstegman@cbf.org</u>.

# Support - SB 148 Comprehensive Flood Management Gr Uploaded by: Rebecca Rehr



February 6, 2024

### **SUPPORT SB 148**

## Comprehensive Flood Management Grant Program - Funding for Underserved and Overburdened Communities

Chairs Feldman and Guzzone, and Members of the Committees:

Maryland League of Conservation Voters and the organizations cosigned below are writing in support of SB 148, a bill to increase funding for the Comprehensive Flood Management Grant Program (CFMGP) and to allocate at least 40% of this funding for projects located in or directly benefiting underserved or overburdened communities.

Immediate effects of flooding are well understood. We can all picture, and many of us have experienced, floodwaters rushing through our streets during a storm, damaging our homes and community infrastructure. Flooding can also have longer term impacts if its effects are not fully remediated, like the presence of black mold in homes, which is an asthma trigger and respiratory irritant. We agree with the <u>Maryland Department of the Environment's assessment</u> of the <u>CFMGP</u>: With climate change resulting in more frequent and intense storms in Maryland, the CFMGP is more relevant now than ever.

This bill, through its allocation of funds to overburdened and underserved communities, recognizes that those who contribute least to climate change are often the ones to suffer first and worst from its consequences. Incorporating the federal Justice 40 initiative across environmental programs is one way we can correct for past injustices, and support communities who bear the brunt of pollution and environmental degradation.

We thank Senator Washington for his leadership in introducing this bill, which this committee passed last year, and urge a favorable report.

Maryland League of Conservation Voters Arundel Rivers Federation Assateague Coastal Trust CASA Chesapeake Bay Foundation Chesapeake Climate Action Network Earthjustice Indivisible HoCoMD Interfaith Partners for the Chesapeake League of Women Voters of Maryland Maryland Legislative Coalition

Maryland Legislative Coalition Climate Justice Wing Potomac Conservancy Potomac Riverkeeper Network ShoreRivers The Nature Conservancy Unitarian Universalist Legislative Ministry of Maryland Waterkeepers Chesapeake

# Impact Brief Flood Early Warning.pdf Uploaded by: Allison Cordell Position: INFO

# SAS for Flood Early Warning

A proactive approach to response, mitigation and preparedness



# SAS Facts



SAS is ranked as a leader in advanced analytics and artificial intelligence.



SAS has redefined the future of analytics in the cloud to accelerate the power of AI for everyone.





SAS software is installed at more than 83,000 customer sites.

## Flooding damages properties and threatens lives

Storm events and high tides wreak havoc on communities as flooding closes down streets, destroys buildings, interrupts services, and poses a safety risk to human beings and animals. Many governments rely on citizens calling about flooding in order to implement response activities. Some local governments have long serving employees who remember the locations of flood events and can guess what a storm might do in certain areas.

Traditional flood response is not protecting people and properties well enough. To respond faster to flood events and to curtail future flooding, governments are turning to advanced technologies to identify flooding, alert emergency personnel and citizens, and predict future flood events.

## Challenges

Government agencies are losing the battle against flooding.

- **Labor intensive.** Traditional flood management and response have relied heavily on human beings to identify rising water, redirect vehicles, evacuate people, and implement measures such as sandbags and signage.
- Latent Awareness. Without a way to identify rising water and send alerts, emergency responders and citizens only know about flooding after water has risen. Often, it is too late to prevent property damage and unsafe conditions.
- **Dependence on institutional knowledge.** Flooding history is often known by the people who have worked in a government for years. As people retire or move to other positions, the institutional knowledge is lost. Without a long series of hydrologic data, governments do not have useful historical flood records.
- **Outdated Mapping and Surveys.** Understanding vulnerabilities involves expensive mapping and surveys that need to be kept up to date with changes in land use and urban growth.
- **Complex coordination of response.** Emergency response is complicated when flooding occurs rapidly, covers vast areas of land, or blocks primary vehicular routes. Often, flooding causes infrastructure to fail, exacerbating the challenge of communicating between responders and to citizens.
- **Speculative action.** Preventive measures are often employed without the benefit of predictive analysis. These measures can be costly and disappointing. Without thorough insights, governments cannot identify the indicators of an unfolding disaster in time to trigger a response.

## Our Approach

SAS helps organizations use large volumes of historical data from weather systems and data collected by water level sensors systems to quickly understand the current flooding environment and predict future flood events.

We approach the problem by providing software and services to help you:

- Access all relevant data. Quickly access and prepare relevant weather, environmental, sensor, and development data for modeling, simulation, and insight generation.
- Forecast future conditions. Identify weather and development trends that can provide timely insights regarding the magnitude of storm events, the impact of development, and the location and magnitude of flooding.
- Improve forecasting models. Use existing data to refine how flooding is predicted.
- Identify the effects of policy and development changes. Perform microsimulations using weather and flooding data to better understand the potential impact of policy and development decisions on streams and floodplains.
- **Provide real-time tracking and** alerts. Improve awareness of rising stormwater and generate alerts to emergency responders and citizens.

### **Business Impact**

While flooding during typical rain events can be disruptive, flooding as a result of hurricanes, tropical storms and major rain events can be destructive. Many communities are hit by new flooding before they can even recover from the last flood event. As new development occurs upstream or in the vicinity of fragile wetlands, rainwater flows over impervious surfaces, surges into creeks and streams, and overflows onto roads and into buildings. Bodies of water that were once sufficient to accommodate rainwater, are now overwhelmed.

SAS can help by providing:

- The means of ingesting copious amounts of data collected by sensors.
- Data management and data quality tools to prepare data critical to generating insights.
- Insightful and interactive visualizations that highlight current dry and wet conditions as well as potential increase in
- Alerting system that notifies emergency workers and citizens about rising water.
- Scenario analysis linked to visualizations that show the effects of potential changes.
- Automatic, large-scale forecasting that enables time series and predictive modeling for the most accurate forecasts given the uncertainty of weather events.
- A solution that can use your institutional knowledge and models, allowing comparison to ensure the most accurate models are used.



For more information visit www.sas.com

# **SB 148 Statement of Information 2.5.24.pdf** Uploaded by: Laura Vykol-Gray Position: INFO

WES MOORE Governor

ARUNA MILLER Lieutenant Governor



HELENE GRADY Secretary

MARC L. NICOLE Deputy Secretary

# SENATE BILL 148 Comprehensive Flood Management Grant Program - Funding for Underserved and Overburdened Communities

# STATEMENT OF INFORMATION

DATE: February 6, 2024

# **COMMITTEE:** Senate Education, Energy, and the Environment Committee

**SUMMARY OF BILL:** Senate Bill 148 mandates the Governor to appropriate at least \$20 million annually in the State operating budget starting in fiscal 2026 to the comprehensive flood management grant program. Of the appropriated amount, 40% of the funding provided must be used for projects located in or directly benefiting underserved or overburdened communities.

**EXPLANATION:** The State's Capital budget includes \$13.1 million in general obligation bond funding for this purpose in fiscal year 2025 and proposes \$10 million in general obligation bond funding for each of fiscal years 2026 through 2029. The bill requires the State to appropriate \$20 million in the State operating budget, which will likely result in a reduction of funding in the capital budget in future fiscal years.

The Department of Budget and Management (DBM) is charged with submitting a balanced budget to the General Assembly annually and will be working with the General Assembly to achieve structural balance over the long-term. In light of current projected general fund deficits in fiscal 2026 forward, the Department urges caution in passing legislation significantly increasing general fund expenditures. Additionally, this bill would likely result in a shift from the current practice of leveraging the State's debt capacity to finance these projects to general funds, which limits the State's financial flexibility. State government must be intentional, disciplined, and strategic with its allocation of State funding to ensure maximum impact toward priority outcomes. It would be challenging for the State to manage this additional cost given the forecasted out-year deficits for the General Fund.

For additional information, contact Laura Vykol-Gray at (410) 260-6371 or <u>laura.vykol@maryland.gov</u>