



DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Meena Seshamani, M.D., Ph.D., Secretary

March 10, 2026

The Honorable Pam Beidle
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, MD 21401

RE: Senate Bill 702 – Behavioral Health Administration – Behavioral Health Program Relocation – Regulations– Letter of Opposition

Dear Chair Beidle and Committee Members:

The Maryland Department of Health (the Department) respectfully submits this letter of opposition for SB 702 – Behavioral Health Administration – Behavioral Health Program Relocation – Regulations. This legislation is expected to have an annual fiscal impact of over \$4 million from FY2027 through FY2031.

Effective October 1, 2026, SB 702 would require the Behavioral Health Administration (BHA) to promulgate regulations authorizing behavioral health programs to relocate to another site via expedited approval process for relocation, separate from the process to license new behavioral health programs. The expedited approval process would permit the use of previously submitted documentation if the information is unchanged or irrelevant to the relocation. The bill would further require temporary approval for a relocating behavioral health program if BHA determines that the new location meets life and safety standards. Finally, BHA would be required to consider the behavioral health program's regulatory record as a basis for streamlining the relocation review and approval process and issue clear timelines and standards for the relocation review.

BHA oversees the licensing of over 1,130 community-based behavioral health organizations across 5,508 sites. Creating a separate, expedited approval process will require the Administration to hire 8 additional staff to ensure that programs moving to new sites meet the requirements in the Code of Maryland Regulations (COMAR) 10.63 et. seq. and 10.21 et. seq. As you may know, BHA is currently engaged in a process to [substantially revise](#) COMAR 10.63, expanding the current nine chapters to 39 chapters, including program-specific site requirements. The Department expects to publish the regulations in Spring 2026. Thereafter, compliance standards related to health, safety, and welfare will change, limiting the effective use of current documentation.

Apart from regulatory changes, the Department notes that an expedited process that considers the regulatory history of providers may be challenging. The Department would need to adopt regulations and likely subregulatory guidance to clearly communicate with programs what

criteria and the period of lookback it will use as grounds for approving or denying an expedited approval. The bill does not contemplate an appeals process but the Department anticipates that providers would request access to a hearings process should such an expedited approval be denied.

Despite these challenges, the Department appreciates the bill's intention to make the relocation less burdensome for behavioral health programs. To that end, the Department believes it could offer an expedited process for providers relocating if such providers offered 90 days or more advance notice to the Department. With sufficient lead time, the Department could plan and prioritize processes to conduct site visits for relocating providers, which would reduce the time from application to approval.

Further, the Department is undergoing a comprehensive process to update the COMAR 10.63 regulations. As a part of this process, the Department plans to include regulatory provisions that allow for a streamlined application process for providers who are relocating or adding an additional program site. The Department believes these regulatory provisions will accomplish the intent of this legislation without a significant fiscal impact.

If you would like to discuss this further, please do not hesitate to contact Meghan Lynch, Director of Governmental Affairs at Meghan.Lynch@maryland.gov.

Sincerely,



Meena Seshamani, M.D., Ph.D
Secretary of Health