

WES MOORE
Governor

ARUNA MILLER
Lieutenant Governor



YAAKOV "JAKE" WEISSMANN
Secretary

MARC L. NICOLE
Deputy Secretary

TITLE: HB705 - State Government - Attorney General - Office of the Attorney General Enforcement Recovery Fund - Establishment

DATE: March 3 2026

COMMITTEE: Government, Labor, and Elections

POSITION: Letter of Concern

SUMMARY OF BILL: Establishes the Office of the Attorney General Enforcement Recovery Fund as a special nonlapsing fund to support the Consumer Protection, Antitrust, and Securities Enforcement Divisions of the Office. The fund's revenues are penalties collected from certain cases. These penalties are currently deposited in the General Fund.

EXPLANATION: This proposed legislation diverts certain penalties currently deposited into the General Fund into the newly established special nonlapsing fund. While structured as a Special Fund mandate, the revenues redirected would otherwise flow to the General Fund, making the fiscal impact effectively a General Fund mandate.

The Department opposes this bill. Diversions from the General Fund revenue annually create a structural funding gap at a time when the State is already facing escalating fiscal shortfalls forecasted through FY 2028 and significant uncertainty in federal policy. The State must remain disciplined and strategic in its funding decisions, and the Department does not support legislation that reduces General Fund revenues without sustainable offsets to protect essential services for all Marylanders.

**For additional information, contact Dana Phillips at
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