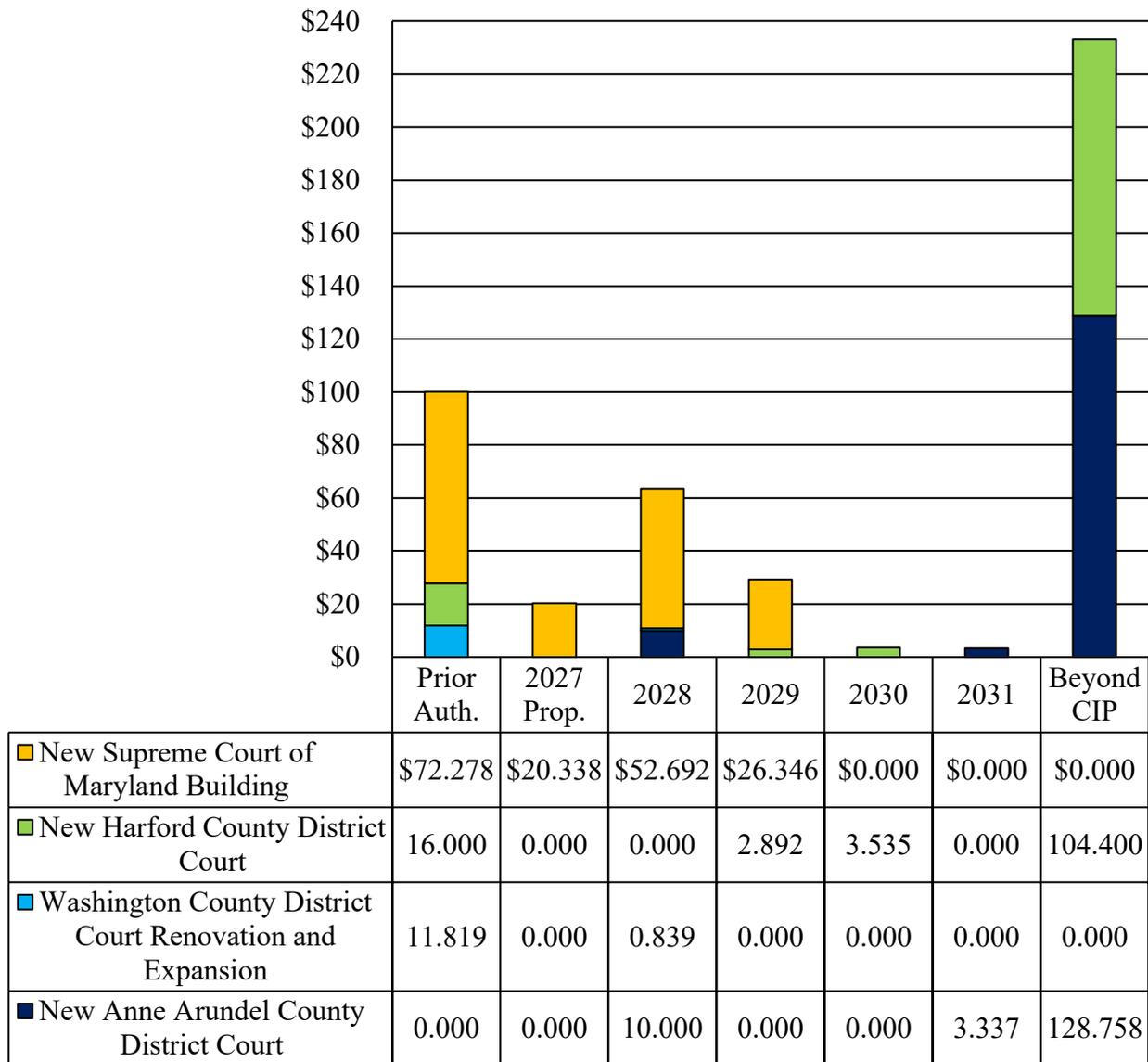


C00*
Judiciary – Capital

Capital Budget Summary

State-owned *Capital Improvement Program*
(\$ in Millions)



CIP: *Capital Improvement Program*

Note: All projects are proposed to be funded with general obligation bond funds as programmed in the 2026 CIP.

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Key Observations

- ***New Supreme Court of Maryland Building Begins Construction:*** A delay in the procurement of the construction services contract necessitated an eight-month deferral to the start of construction for the new Supreme Court of Maryland facility. Groundbreaking will occur on February 26, 2026, with construction to begin soon after. Construction was previously estimated to cost \$191 million in the fiscal 2026 through 2030 *Capital Improvement Program (CIP)*; however, based on the approved construction contract, the estimate has been revised downward to \$158 million.

GO Bond Recommended Actions

1. Approve all general obligation bond authorizations, amendments to prior authorizations, and preauthorizations for the Judiciary.

Summary of Fiscal 2027 Funded State-owned Projects

New Supreme Court of Maryland Building

Project Summary: This project constructs a new five-story courthouse on vacant State-owned land adjacent to the Robert F. Sweeney Courthouse in Annapolis to provide the Judiciary with modern, functional space for the Supreme Court of Maryland, the Appellate Court of Maryland, the Thurgood Marshall State Law Library, and other Judiciary units. The new courthouse replaces the Robert C. Murphy Supreme Court Building (Murphy), which is functionally and mechanically obsolete and lacks sufficient and technologically modern space to adequately meet the needs of the Judiciary and other State agencies and units located in courthouses. Additionally, the Murphy building does not meet Americans with Disabilities Act requirements or have an effective layout for security. The fiscal 2027 budget provides funding to continue the construction and equipping of the new facility.

New/Ongoing: Ongoing	
Start Date: April 2021	Est. Completion Date: January 2029

Fund Sources:								
(\$ in Millions)	Prior Auth.	2027	2028	2029	2030	2031	Beyond CIP	Total
GO Bonds	\$72.278	\$20.388	\$52.692	\$26.346	\$0.000	\$0.000	\$0.000	\$171.704
Total	\$72.278	\$20.388	\$52.692	\$26.346	\$0.000	\$0.000	\$0.000	\$171.704

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Fund Uses:								
(\$ in Millions)	Prior Auth.	2027	2028	2029	2030	2031	Beyond CIP	Total
Planning	\$11.863	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$11.863
Construction	58.743	20.296	52.692	26.346	0.000	0.000	0.000	158.077
Equipment	1.672	0.092	0.000	0.000	0.000	0.000	0.000	1.764
Total	\$72.278	\$20.388	\$52.692	\$26.346	\$0.000	\$0.000	\$0.000	\$171.704

- ***Project Status and Schedule:*** Due to issues with the procurement of the construction services contract, the start of construction was delayed from May 2025 to February 2026. Construction is expected to take 36 months, with substantial completion set for January 2029 and full occupation anticipated a few months later after building testing and commissioning. This is the third delay in the start of construction, as the 2022 CIP reflected that construction was set to begin in November 2023. In August 2025, the construction contract solicitation resulted in 10 bids, of which only 3 were deemed responsive to the solicitation. In December 2025, the Board of Public Works (BPW) approved the \$147 million low-bid construction contract. The capital budget bill preauthorizes \$52.7 million in fiscal 2028 and \$26.3 million in fiscal 2029 to complete the construction funding.

- ***Changes:*** The cost estimate provided in support of the 2025 session review of the project set the construction phase cost at \$191 million. The revised estimate, which is based on the construction contract approved by BPW, lowers this to \$158 million. The awarded contract is \$15.7 million less than the second lowest bid of \$162.7 million. As a result of this change, the total estimated project cost has been reduced from \$204 million to approximately \$172 million. While the reduced construction cost allows the State to direct capital resources to other uses, it will be imperative for the project management team to keep the project within budget.

- ***Equipment Funding:*** The equipment funds provided for the new facility are for built-in equipment. The remaining furniture and equipment needs are to be funded through the Judiciary’s operating budget. The operating impact statement provided by the Department of Budget and Management (DBM) in support of the fiscal 2027 capital budget submission reflects approximately \$10.5 million of general fund equipment costs. While the supporting detail indicates that the general funds would be needed in fiscal 2027, the schedule dictates that the funds are more likely to be needed in fiscal 2028, which should be enough lead time for the equipment to be procured in time for the opening of the facility.

- ***Amendment to 2025 Session Authorization:*** Funding authorized in the 2025 session included language that restricts a portion of the funds for the purposes of providing a source of State match funds for the new State Veterans Home Project in Sykesville. The Department of Veterans Affairs has not received a conditional federal award for the project through the federal Veterans Home Construction Grant Award Program therefore language

amending this authorization removing the restrictions is included in the 2026 capital budget bill as introduced. The Department of Legislative Services concurs with the proposed amendment.

Summary of Out-year State-owned Projects

- ***New Harford County District Court:*** This project includes the construction of a new facility with onsite parking, access roads, and site improvements in Bel Air for the District Court for Harford County. The existing facility does not contain adequate space for the number of necessary courtrooms or other functions, including attorney conference rooms, officers for various court-related programs, storage, and security considerations that are necessary in a modern courthouse. The fiscal 2023 capital budget bill authorized \$12 million in general funds in fiscal 2023 to acquire eight acres of land, with an additional authorization of \$4 million in general obligation (GO) bonds in fiscal 2024 to complete the purchase of the land required. Currently, three parcels of land have been purchased for the project by the Department of General Services (DGS); however, the fourth parcel of land for the project has not yet been purchased and has resulted in significant delays for the program. DGS has encountered issues negotiating with the landowner of the fourth parcel, as the offers to purchase the property by the State have not been enough to compensate the owner for the revenue generated from the property. DGS requested an appraisal of the property in an effort to provide an updated offer in September 2025, which, if accepted, would have taken a minimum of six months to negotiate a contract of sale. No updated offer was accepted by the landowner, and the Judiciary reported that the land was sold to another owner in late calendar 2025, requiring DGS to begin negotiations with a new party. As of June 2025, the design stage was scheduled to begin in fiscal 2028; however, this has been delayed to an undisclosed time in fiscal 2029 according to the fiscal 2027 CIP. **The Judiciary should discuss (1) the current timeline for negotiations and the previous offers made to the landowners and (2) alternative project plans if the fourth parcel cannot be purchased.**
- ***Washington County District Court Renovation and Expansion:*** This project involves the renovation of the existing courthouse in Hagerstown as well as the construction of an addition. The existing structure will receive electrical, security, and HVAC infrastructure improvements. Space will be added for a third judge and necessary support services. The project has previously been delayed, as the contract with the selected architect was terminated, necessitating a second architect for the project. General funds of \$5.3 million previously appropriated for this project were inadvertently reverted during the closeout process for fiscal 2024. The fiscal 2025 operating budget bill included a deficiency appropriation to replace the funds. A preauthorization of \$2.9 million for fiscal 2027 was included in the fiscal 2026 capital budget bill; however, this is not included in the fiscal 2027 capital budget, as it was determined that funds were not needed due to the updated project schedule. On November 5, 2025, BPW approved a construction contract for the third courtroom addition and renovation. The contract was awarded for

\$11.5 million, lowering the total estimated construction cost to \$12.2 million in the fiscal 2027 CIP compared to \$13.8 million in the fiscal 2026 CIP. It has been reported by the Judiciary that the project design is 80% complete, with DBM reporting that the design phase should be concluded in April 2026. Current project costs have been reported at \$12.7 million in the fiscal 2027 CIP compared to the estimated \$4.1 million in the fiscal 2020 CIP; however, the Judiciary reported that DGS discovered issues with the generators that require their replacement. The Judiciary believes it is likely that the fiscal 2028 authorization will include an additional \$2.5 million in addition to the \$739,000 preauthorized in the fiscal 2027 capital budget bill and the additional \$100,000 expected for equipment. Replacing the new generators is expected to raise the project total to approximately \$15.3 million. **The Judiciary should comment on the need to replace the current generators for the facility and the impact it will have on the project’s timeline.**

- ***New Anne Arundel County District Court:*** This project will construct a new courthouse in Glen Burnie to replace the existing facility. The new facility will contain six courtrooms along with dedicated space for court-related agencies. Issues with the current facility include HVAC failures, water intrusion, and mold. This project initially appeared in the fiscal 2025 CIP, where \$8 million in GO bonds was expected to be requested in fiscal 2027 for land acquisition so the design stage could begin in December 2027. DGS has decided to delay the project and to begin the site search in late calendar 2026, with the intention of purchasing the required properties in July 2027. Despite the agency’s intention to have the project’s land purchased by July 2027, the design stage is not scheduled to begin until July 2030, as funding for the project’s planning is not expected to be authorized until fiscal 2031. The fiscal 2027 CIP estimates the project’s total cost to be \$142.1 million in GO bonds compared to the \$119.0 million estimated in fiscal 2025. **The Judiciary should comment on (1) the reasons for the project’s delay and (2) the increase in the estimated total cost of the project.**

Updates

1. Shillman Building Conversion Project Is Completed

The Shillman Building Conversion Project included the dismantlement and selective demolition of the Shillman Office Building to convert the structure into the New Baltimore City District Courthouse. This project was needed, as the previous facility was unable to handle criminal and traffic cases due to its configuration in addition to security and maintenance issues. DBM approved the program plan for the project in calendar 2018, with the fiscal 2018 CIP anticipating the total cost of the project to be \$30.3 million and to be completed by the end of fiscal 2022. In total, the project received \$42.5 million in GO bonds and another \$34.3 million in general funds for a total of \$76.7 million between fiscal 2018 and 2025. Additionally, in September 2025, a request was submitted by DBM and DGS to approve the use of \$3.2 million from the Construction Contingency Fund (CCF) to cover the remaining construction-related costs for the project. Project

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cost overruns totaled \$5.2 million, of which \$2.0 million was covered by using the remaining balance of the budget construction contingency. The funds from the CCF were approved in October 2025, bringing the total amount authorized for the project to \$79.9 million. On October 22, 2025, the New Baltimore City District Court was officially named the Mabel H. Hubbard District Court by BPW, and the new District Court was officially opened the same month.