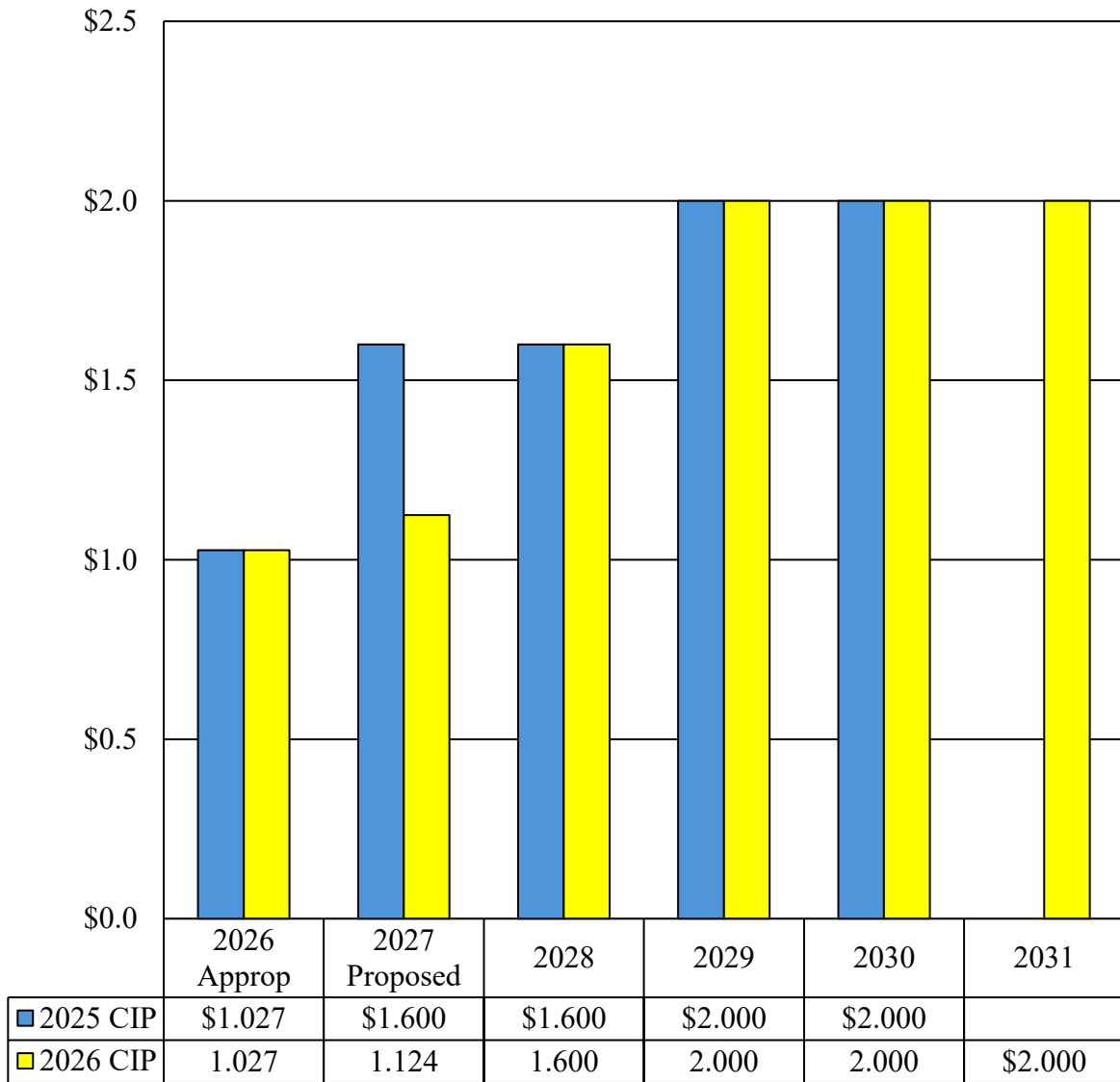


D12*
Department of Disabilities – Capital

Capital Budget Summary

Grant and Loan *Capital Improvement Program*
(\$ in Millions)



CIP: *Capital Improvement Program*

Note: Access Maryland CIP is funded entirely with general obligation bonds.

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Key Observations

- ***Six Projects Funded Across Five Jurisdictions:*** The fiscal 2027 capital budget for the Maryland Department of Disabilities (MDOD) Access Maryland program allocates \$1.1 million in general obligation (GO) bonds. This funding will support six projects: two for design only; two for construction only; and two involving both design and construction.
- ***Continued Encumbrance Issues in the MDOD Budget:*** As of July 1, 2025, MDOD had encumbered \$1 million (54%) of its authorized \$1.9 million allocation for fiscal 2025, while for fiscal 2023 and 2024, less than one-third of funds had been encumbered. Further details on MDOD’s long standing encumbrance issues are provided in Issue 1 of this analysis.

GO Bond Recommended Actions

1. Approve the general obligation bond authorization for the Access Maryland program.

Budget Overview of Grant and Loan Programs

The Americans with Disabilities Act (ADA) requires State agencies to ensure that individuals with disabilities can access public services and programs. In compliance with the ADA, MDOD manages the Access Maryland program, which funds accessibility modifications at State-owned facilities. Rented space is not eligible for funding. Projects funded within this program are part of a long-term effort, and the program will require funding beyond the current *Capital Improvement Program* (CIP). Since fiscal 2020, higher education institutions within the University System of Maryland are required to contribute a 30% non-State match to any Access Maryland-funded project.

Exhibit 1 shows MDOD’s funding in the Governor’s budget as introduced. The fiscal 2027 authorization of new GO bonds for the Access Maryland program totals \$1,124,000 to support four ongoing and two new projects. Of these six projects, two are for design only, two are for construction only, and two involve both design and construction.

Exhibit 1
Access Maryland Fiscal 2027 Proposed Projects
(\$ in Thousands)

<u>Project Description</u>	<u>Estimated Total</u>	<u>Prior Auth.</u>	<u>2027 Proposed</u>	<u>Future Request</u>	<u>Total State Share</u>
University of Maryland Baltimore County (Baltimore County) – Renovate eight teaching labs in the Biological Services building to allow students with disabilities to fully participate in lab courses. The fiscal 2027 budget includes funding for the design of this project.	\$662	-	\$77	\$386	69.9%
Department of Natural Resources (Garrett) – Construct an accessible fishing area and sidewalks connecting to the parking lot at Deep Creek Lake State Park. The fiscal 2027 budget includes funding for the design of this project.	320	-	95	175	84.4%
University of Maryland, College Park Campus (Prince George’s) – Renovate one men’s (Room 1127) and one women’s (Room 1129) toilet room in McKeldin Library to comply with 2010 ADA Standards. The fiscal 2027 budget includes funding for construction of this project.	352	\$46	166	-	60.2%
University of Maryland, College Park Campus (Prince George’s) – Renovate one men’s (Room 1203) and one women’s (Room 1205) toilet room in McKeldin Library to comply with 2010 ADA Standards. The fiscal 2027 budget includes funding for construction of this project.	208	27	98	-	60.1%
Historic St. Mary’s City Commission (St. Mary’s) – Replace existing bathroom facilities at the State House with an accessible structure connected to the State House with a new path and bridge. The fiscal 2027 budget includes funding to complete design and construct the bathroom renovations.	1,166	490	596	-	93.1%

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<u>Project Description</u>	<u>Estimated Total</u>	<u>Prior Auth.</u>	<u>2027 Proposed</u>	<u>Future Request</u>	<u>Total State Share</u>
Department of General Services (Wicomico) – Renovate two restrooms on the second-floor lobby of the Paul Martin District Court – Multi Service Center to make them accessible for individuals with disabilities. The fiscal 2027 budget includes funding to complete design and construct the restroom modifications.	167	75	92	-	100.0%
Total	\$2,875	\$638	\$1,124	\$561	

ADA: Americans with Disabilities Act

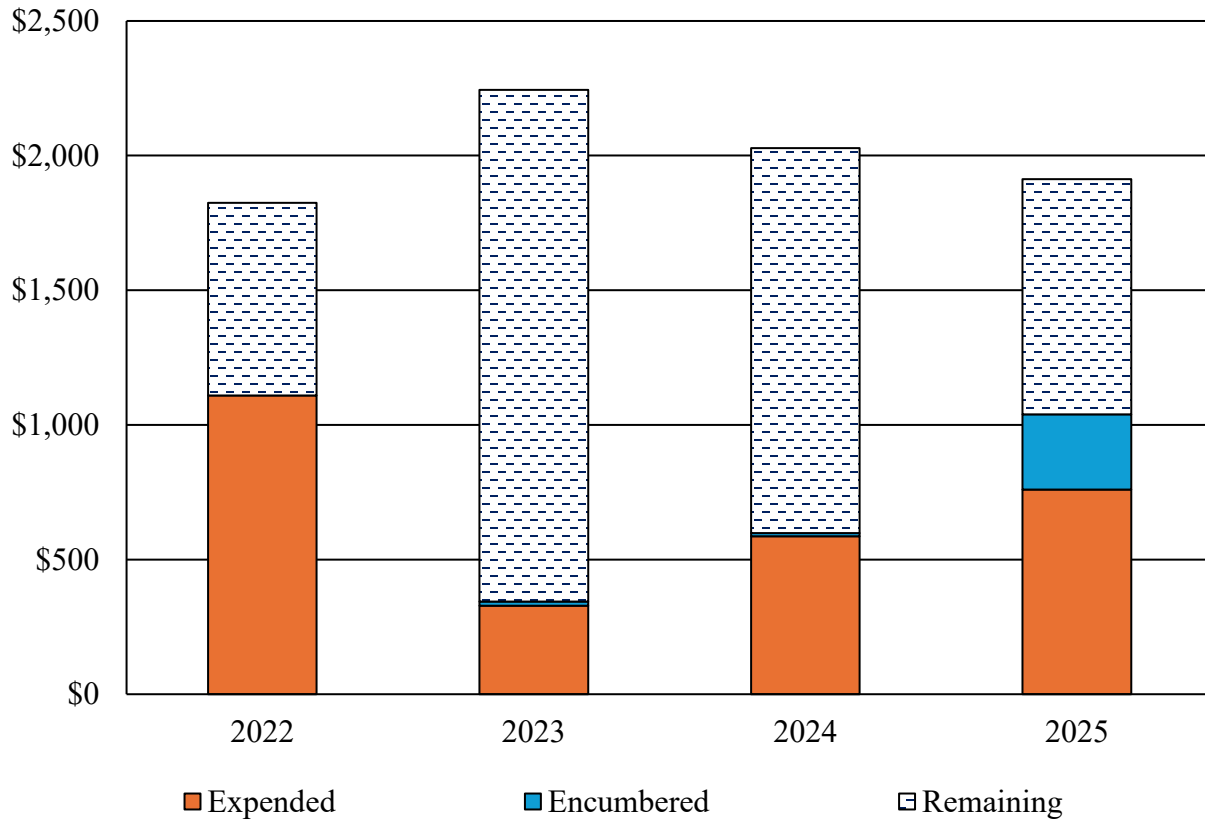
Source: Department of Budget and Management

Issues

1. Maryland Department of Disabilities Maintains Significant Balance

As shown in **Exhibit 2**, as of July 1, 2025, the Access Maryland program has encumbered \$3.1 million of a total \$8.0 million authorized between fiscal 2022 and 2025. Although the overall encumbrance rate has improved slightly from 29% at this time last year, improvements are not even across fiscal years. While a majority of funds authorized in both fiscal 2022 and 2025 have been encumbered, only 15.4% of funds authorized in fiscal 2023 had been encumbered, indicating a lack of progress for projects authorized that year.

Exhibit 2
Encumbrance and Expenditure Trends
Fiscal 2022-2025
(\$ in Thousands)



Source: Department of Budget and Management; Maryland Department of Disabilities

Exhibit 3 provides an overview of various accessibility-related projects authorized since fiscal 2021. It shows that as of February 2026, from fiscal 2021 to 2026, 16 authorized projects had not yet encumbered any funds, highlighting a slow pace of project execution. Project progress within the Access Maryland program presents a diverse range of outcomes:

- projects authorized in fiscal 2026 include upgrades to restrooms, elevators, and accessibility improvements in multiple facilities. Among these, the University of Maryland, College Park Campus (UMCP) Toilet Room Renovations projects have encumbered a majority of its funds and are preparing for procurements through the Board of Public Works, while other projects have not yet encumbered funds;

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- for projects authorized in fiscal 2025, all projects are on track to be completed in calendar 2026. Among these, the Towson University (TU) Interior Sign Replacement and Wayfinding Upgrades project has fully expended its funds and is scheduled for completion in mid-2026. Other projects, such as the UMCP Atlantic Building Bathroom Renovations, have encumbered, but not expended funds, while several others, including restroom upgrades at the Historic State House, have not yet encumbered any funds;
- for fiscal 2024, projects range from restroom and wheelchair lift upgrades to accessible building modifications. The Stephens Hall Wheelchair Lift Replacement at TU has been completed, while the University of Maryland Baltimore County (UMBC) Biological Science Building project is progressing through the construction phase. However, some projects remain in early stages, such as the UMCP restroom project, which has not yet encumbered any funds;
- among fiscal 2023 projects, the Meyerhoff Chemistry Building accessibility modifications at UMBC are on hold due to higher costs, while the curb ramps and driveway crossings project at the University of Maryland Baltimore campus is preparing for bids;
- for projects authorized in fiscal 2022, Susquehanna State Campground project has been completed, while Historic St. Mary's City Commission State House restroom upgrades have been delayed, with additional funds requested in fiscal 2027; and
- for fiscal 2021 projects, no funds have yet been encumbered. Wheelchair evacuation ramps at Clifton Perkins Hospital have been delayed due to site issues that were not detected at the time of application and projects managed by the Department of General Services have faced delays related to design, with additional funds requested in fiscal 2027 for the Salisbury Multi-Service Center.

According to MDOD, most projects remain on schedule, though some have been delayed due to design changes, cost overruns, or interagency coordination challenges.

**Exhibit 3
Status of Active Projects for the Access Maryland Program**

Fiscal Year Initially Authorized	Project Title	Authorizations	Encumbered	Expended	% Encumbered	Estimated Project Completion Date	Status
2026	UMBC – Bressler Research Building – Restroom Upgrades	\$147,000	\$0	\$0	0%	August 2026	No movement
2026	TU – Van Bokkelen Hall – Elevator Renovation	160,000	0	0	0%	Late 2026	On schedule
2026	UMCP – McKeldin Library – Toilet Room Renovations (MT Room 1127 and WT Room 1129)	46,000	35,952	0	78%	April 2026 (design only)	Preparing for BPW
2026	UMCP – McKeldin Library – Toilet Room Renovations (MT Room 1203 and WT Room 1205)	27,000	26,720	0	99%	April 2026 (design only)	Preparing for BPW
2026	SMCM – Dorchester Hall – Various Upgrades	176,000	0	0	0%	Late 2026	On schedule

Fiscal Year Initially Authorized	Project Title	Authorizations	Encumbered	Expended	% Encumbered	Estimated Project Completion Date	Status
2026	SMCM – Prince George Hall Entry and Access Improvements	68,000	0	0	0%	Late 2026	On schedule
2025	DGS – Community Place, Automated Doors and Restroom Upgrades	1,404,000	0	0	0%	Mid 2026	On schedule
2025	DGS – Historic State House – Restroom Upgrades	1,603,000	0	0	0%	Mid-Late 2026	On schedule
2025	TU – Interior Sign Replacement and Wayfinding Upgrades	210,000	210,000	210,000	100%	Mid 2026	Behind schedule
2025	UMCP – Atlantic Building, Bathroom Renovations	148,000	148,000	0	100%	May 2026	On schedule
2025	HSMCC – Plantation Exhibit Visitor Restroom Facility Upgrades	650,000	0	0	0%	Mid 2026	On schedule
2025	SMCM – Prince George Hall Accessibility Improvements	84,000	84,000	0	100%	June 2026	Behind schedule

Fiscal Year Initially Authorized	Project Title	Authorizations	Encumbered	Expended	% Encumbered	Estimated Project Completion Date	Status
2024	DGS – Central Services Building – Various Upgrades	945,000	0	0	0%	Early 2026	On schedule
2024	UMBC – Biological Science Building – Accessible Restrooms	220,000	220,000	220,000	100%	Late 2026	On schedule
2024	UMCP – Atlantic Building – Accessible Restrooms	42,000	0	0	0%	May 2026	On schedule
2024	HSMCC – Public Relations Building – Accessible Restrooms and ADA Entrance	450,000	100,000	100,000	22%	Spring 2026	Preparing for BPW
2023	UMBC – Meyerhoff Chemistry Building Teach Labs Modifications – Classroom Accessibility	671,000	0	0	0%	Unknown	On hold
2023	UMB – Curb Ramps and Driveway Crossings Project	386,480	0	0	0%	Early 2026	Preparing for bid

Fiscal Year Initially Authorized	Project Title	Authorizations	Encumbered	Expended	% Encumbered	Estimated Project Completion Date	Status
2022	HSMCC – State House Accessible Restrooms	490,000	0	0	0%	Fiscal 2027	Delayed
2021	MDH – Clifton Perkins Hospital Wheelchair Evacuation Route Ramps	450,000	0	0	0%	Late 2026	Delayed
2021	DGS – Hargrove Court Building Auto Door Openers	50,000	0	0	0%	Late 2026	Delayed
2021	DGS – Elkton Court Wheelchair Ramp	175,000	0	0	0%	Late 2026	Delayed
2021	DGS – Salisbury Multi-Service Center Public Restroom Access	75,000	0	0	0%	Fiscal 2027	Delayed
Total		\$8,971,480	\$1,133,268	\$838,597	13%		

ADA: Americans with Disabilities Act
 BPW: Board of Public Works
 DGS: Department of General Services
 DNR: Department of Natural Resources
 HSMCC: Historic St. Mary’s City Commission

MDH: Maryland Department of Health
 MT: Men’s toilet
 SMCM: St. Mary’s College of Maryland
 TU: Towson University
 UMB: University of Maryland, Baltimore Campus

UMBC: University of Maryland Baltimore County
 UMCP: University of Maryland, College Park Campus
 WT: Women’s toilet

Source: Maryland Department of Disabilities

Delays in Fund Allocation and Project Progress

State agencies and universities continue to face challenges in fully encumbering funds due to project delays and rising costs, staffing changes, and issues encountered during planning and design. These factors must be resolved before construction begins, leading to slower project progress and delays in utilizing allocated funding.

Efforts to Address These Challenges

According to MDOD, the responsibility for encumbering funds in a timely manner lies with the agencies and universities managing the projects. MDOD indicates that the Access Maryland program provides ongoing support through multiple annual webinars for project managers, including targeted sessions for those managing open projects or newly awarded funding. Direct outreach efforts also offer one-on-one assistance throughout the funding cycle.

To improve project completion timelines, MDOD reports the use of the following strategies:

- limiting the number of open projects per agency or university, a new policy that began with the fiscal 2025 application cycle;
- establishing deadlines for encumbering funds within each project cycle;
- allocating a small contingency fund for cost overruns to help projects reach completion; and
- funding projects by phase (*e.g.*, design versus construction) to ensure that funds are expended efficiently within each fiscal year.

MDOD reports that the new policy to limit the number of open projects per agency or university does not allow State agencies or universities with three or more open projects to apply for Access Maryland funding. MDOD indicates that this new policy has resulted in fewer applications compared to prior years and is why the fiscal 2027 budget request is lower than projected in the last year's CIP.

Impact on Funding Priorities for Future Projects

If a project is canceled due to inaction or lack of progress, the previously allocated funds may be redirected. These funds could support an existing project that has exceeded its budget, a new project requesting funding in a different fiscal year, or another eligible project from the current application cycle, if identified in time. **Given the substantial funds not yet encumbered, MDOD should comment on any additional efforts to improve encumbrance rates, including the adoption of a cash flow management procedure, which was discussed previously but has not yet been implemented.**