

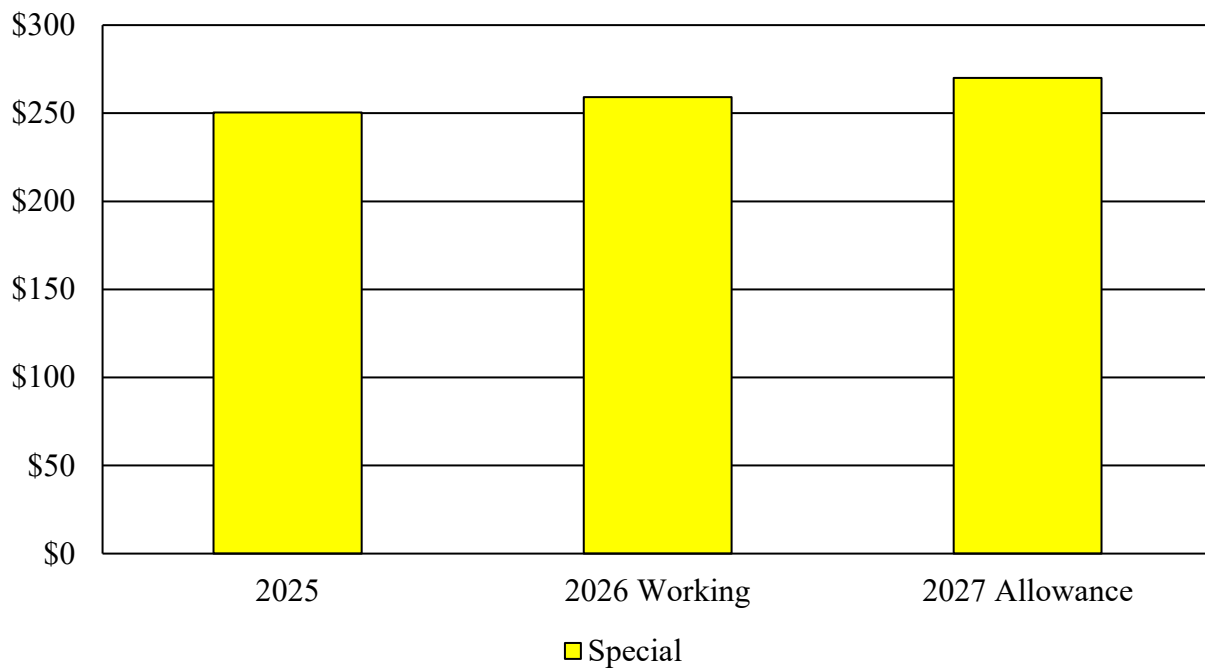
J00I00
Maryland Aviation Administration
Maryland Department of Transportation

Executive Summary

The Maryland Aviation Administration (MAA) has the responsibility of fostering and developing aviation activity throughout the State as well as the operation, maintenance, protection, and development of the two State-owned airports – Baltimore/Washington International Thurgood Marshall Airport (BWI Marshall Airport) and Martin State Airport (MTN).

Operating Budget Summary

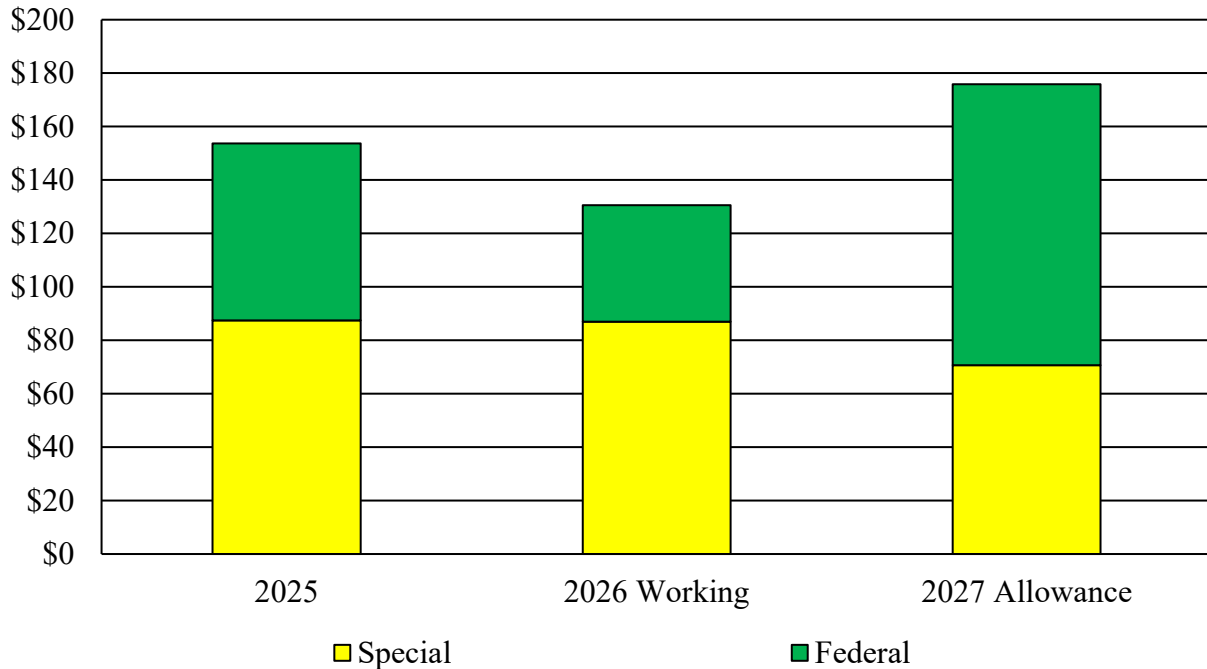
**Fiscal 2027 Budget Increases \$10.9 Million, or 4.2%, to \$270.0 Million
(\$ in Millions)**



Note: The fiscal 2026 working appropriation accounts for deficiencies. The fiscal 2027 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency's budget.

PAYGO Capital Budget Summary

**Fiscal 2027 Budget Increases \$45.2 Million, or 34.6%, to \$175.8 Million
(\$ in Millions)**



Note: The fiscal 2027 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency's budget.

- In fiscal 2027, federal funds increase from \$43.6 million to \$105.1 million, or 141.1%, primarily due to \$57.3 million in federal funding for the Runway 10/28 Rehabilitation project at BWI Marshall Airport.

Key Observations

- ***Vacancies Grow at MAA:*** MAA had 12 more vacancies in December 2025 than at the same time in the previous year, an increase from 36.30 to 48.30, or 33%.
- ***Operating Revenues Continue to Outpace Operating Expenditures:*** In fiscal 2025, MAA's operating revenues (\$320.7 million) exceeded operating expenditures (\$250.4 million). This trend is expected to continue in fiscal 2026 and 2027. However,

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operating revenues cannot also cover capital expenditures as the special funds for capital expenditures are more than net operating income, leading to an overall net loss from fiscal 2025 to 2027.

- ***Passenger Levels at BWI Marshall Airport Decrease:*** In calendar 2025, BWI Marshall Airport experienced the first decrease in passengers compared to the prior year since calendar 2020. In calendar 2025, BWI Marshall Airport had a total of 25.2 million passengers, a decrease from 27.1 million in calendar 2024.

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

PAYGO Budget Recommended Actions

1. Concur with Governor's allowance.

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Budget Analysis

Program Description

MAA has the responsibility of fostering and developing aviation activity throughout the State. In addition, MAA is responsible for the operation, maintenance, protection, and development of both BWI Marshall Airport – a major center of commercial air carrier service in the State – and MTN – a general aviation reliever facility as well as a support facility for the Maryland Air National Guard and the Maryland State Police. MAA has identified the following key goals:

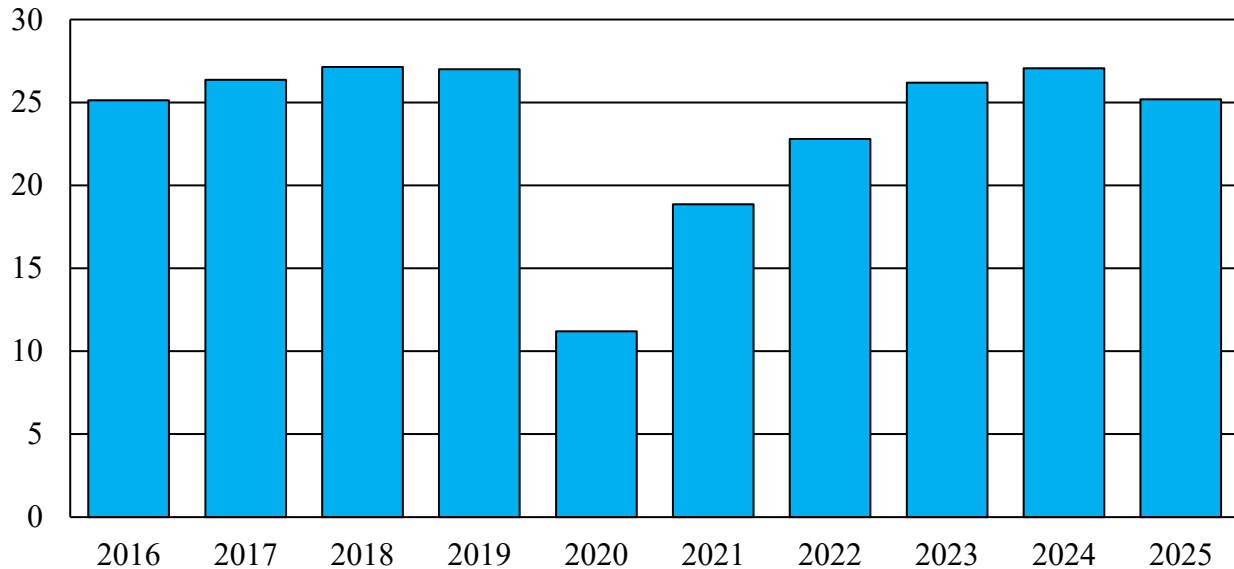
- keeping BWI Marshall Airport passengers, tenants, and facilities safe;
- operating BWI Marshall Airport efficiently and effectively;
- attracting, maintaining, and expanding air service; and
- providing exceptional service.

Performance Analysis: Managing for Results

1. BWI Marshall Airport Traffic

Exhibit 1 shows the number of total passengers at BWI Marshall Airport from calendar 2016 through 2025. Impacts of the COVID-19 pandemic on air travel are evident beginning in calendar 2020. Airport traffic steadily increased beginning in calendar 2021 through 2024 from a pandemic low of 11.2 million passengers to 27.1 million passengers in calendar 2024. However, total passengers in calendar 2025 decreased by 6.9% to 25.2 million passengers. That decrease is not unsurprising given the impacts of the federal government shutdown on flights. The Federal Aviation Administration (FAA) ordered a reduction in flights at 40 high traffic airports, including BWI Marshall Airport, effective November 7, 2025, that lasted until November 17, 2025. In November 2025, BWI Marshall Airport experienced an 8.5% reduction in passenger activity compared to November 2024.

Exhibit 1
Total Passengers at BWI Marshall Airport
Calendar 2016-2025
(Passengers in Millions)



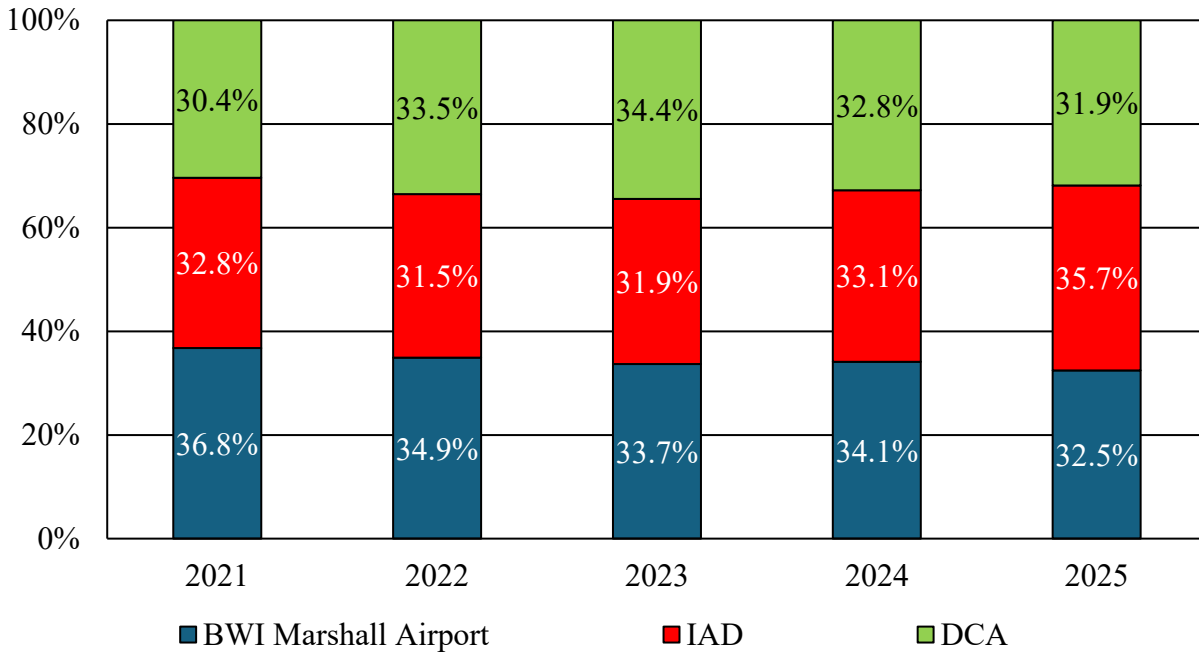
BWI Marshall Airport: Baltimore/Washington International Thurgood Marshall Airport

Source: Maryland Aviation Administration; Department of Legislative Services

2. BWI Marshall Airport’s Share of Regional Market Traffic Decreases in Fiscal 2025

In order for BWI Marshall Airport to experience growth in business and continue to be an economic engine for the State, it must remain competitive with other airports both nationally and internationally. The Baltimore-Washington region features three airports that compete for the local market share for commercial passengers, commercial air operations, freight, and mail transport: BWI Marshall Airport; Washington Dulles International Airport (IAD); and Ronald Reagan Washington National Airport (DCA). Each regional airport differs in the type of passengers it attracts: IAD tends to serve the most international travelers, with a large United Airlines presence; DCA serves business travelers near federal government facilities; and BWI Marshall Airport serves primarily leisure travelers, given the strong presence of Southwest Airlines and other low-fare carriers. As shown in **Exhibit 2**, BWI Marshall Airport’s market share increased slightly relative to IAD and DCA, moving from 33.7% to 34.1% in fiscal 2024 compared to the previous year. However, BWI Marshall Airport’s market share decreased to 32.5% in fiscal 2025.

**Exhibit 2
Passenger Market Share
Fiscal 2021-2025**



BWI Marshall Airport: Baltimore/Washington International Thurgood Marshall Airport
 DCA: Ronald Reagan Washington National Airport
 IAD: Washington Dulles International Airport

Note: Data for BWI Marshall Airport is reported on a fiscal year basis. Data for DCA and IAD is reported on calendar year basis.

Source: Maryland Aviation Administration; Department of Legislative Services

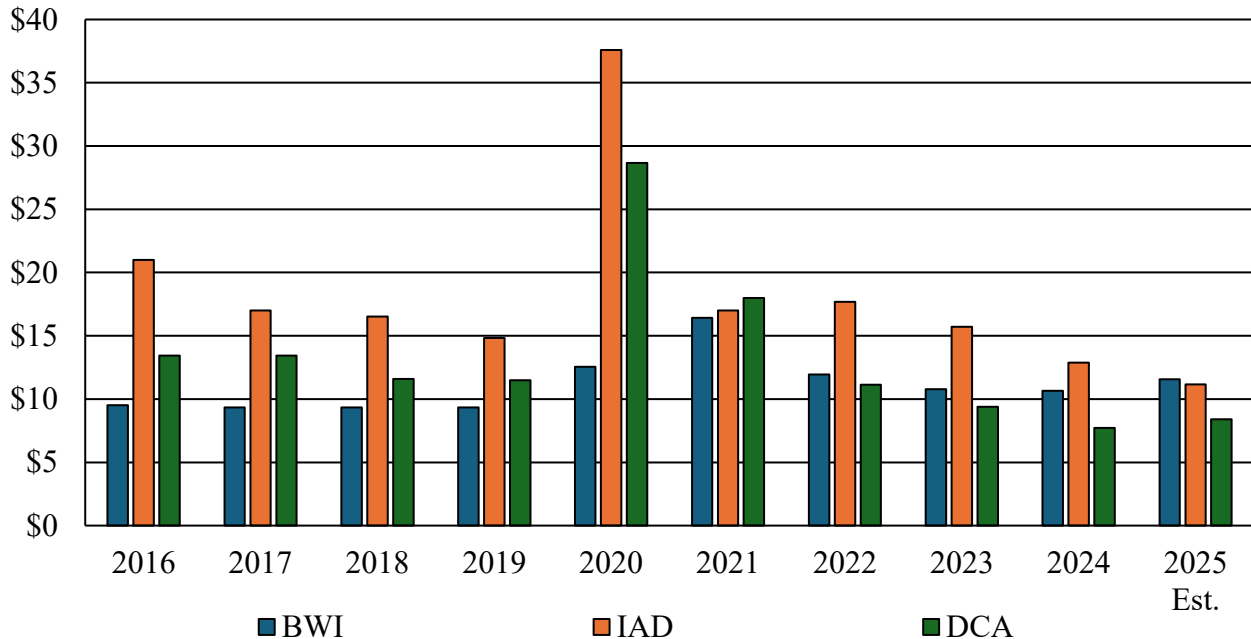
3. Cost Per Enplaned Passenger

An important financial calculation considered by airlines when deciding where to fly is the cost per enplaned passenger (CPE) at a given airport. CPE costs are the total of terminal and airfield costs related to flight activities, which are paid by the airport and subsequently reimbursed by the airlines. CPE is an industry ratio, and while not calculated using a definitive standard due to variations in the negotiated operating agreements specific to the airports, it typically includes such costs as (1) landing fees; (2) terminal rental fees; (3) aircraft parking fees; and (4) boarding bridges. Serving more passengers reduces these costs per person thereby reducing CPE. Airports

universally try to reduce CPE to be more competitive in the market. Therefore, both MAA and the airlines have an interest in keeping operating costs as low as possible.

Exhibit 3 shows the CPE for BWI Marshall Airport, IAD and DCA. Between fiscal 2016 and 2021, BWI Marshall Airport had the lowest CPE of the three major airports in the Baltimore-Washington metro area. The large increases in fiscal 2020 and 2021 were due to the COVID-19 pandemic during which passenger travel fell dramatically. During this period, airlines were still incurring regular fixed costs for operating at the airport, with fewer passengers. BWI Marshall Airport’s estimated CPE in fiscal 2025 was \$11.57, up from \$10.65 in fiscal 2024, due to a 4% decrease in enplanements at BWI Marshall Airport.

Exhibit 3
Cost Per Enplaned Passenger
Fiscal 2016-2025 Est.



BWI Marshall Airport: Baltimore/Washington International Thurgood Marshall Airport

DCA: Ronald Reagan Washington National Airport

IAD: Washington Dulles International Airport

Note: Cost per enplaned passenger (CPE) for IAD and DCA is based on data for signatory airlines only whereas CPE for BWI Marshall Airport is based on data for signatory and nonsignatory airlines. Fiscal 2025 CPE for BWI Marshall Airport is the actual.

Source: Maryland Aviation Administration; Department of Legislative Services

Fiscal 2026

Proposed Deficiency

The fiscal 2027 budget includes a proposed deficiency appropriation of \$6.5 million in special funds to provide additional funding for snow removal.

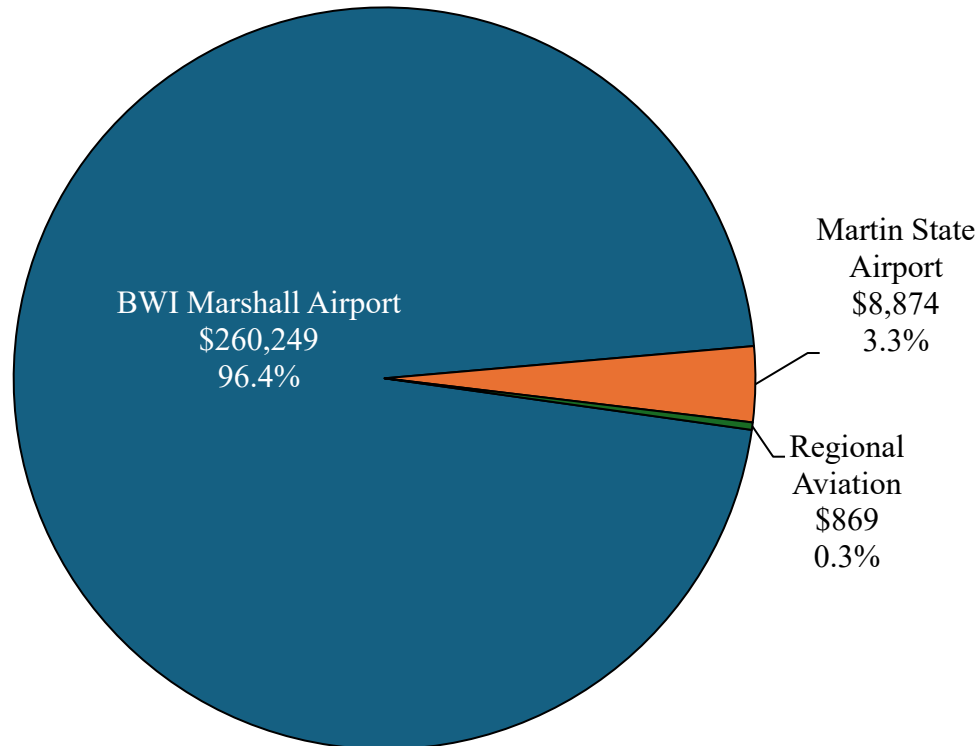
Infrastructure Investment and Jobs Act Funding

MAA has been awarded one discretionary grant in the past calendar year under the Infrastructure Investment and Jobs Act totaling \$1.0 million. The funding is from FAA's Airport Terminal program that provides grants for airport terminal development projects. MAA will use the funding to continue work on its replacement of MTN's air traffic control tower.

Fiscal 2027 Overview of Agency Spending

As shown in **Exhibit 4**, over 96% of MAA's operating budget is for operations of BWI Marshall Airport. MTN operations comprise 3.3% of the fiscal 2027 allowance, and regional aviation comprises 0.3% of total operating spending.

Exhibit 4
Overview of Agency Spending
Fiscal 2027 Allowance
(\$ in Thousands)



BWI Marshall Airport: Baltimore/Washington International Thurgood Marshall Airport

Note: The fiscal 2027 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency's budget.

Source: Department of Budget and Management

Proposed Budget Change

As shown in **Exhibit 5**, MAA's fiscal 2027 allowance increases by \$10.9 million (4.2%) compared to the fiscal 2026 working appropriation after accounting for the proposed deficiency appropriation. Personnel expenses increase by 6.2% over the fiscal 2026 working appropriation and represent 35.3% of the overall increase in fiscal 2027. This increase is mostly due to \$2.2 million in employee and retiree health insurance costs.

Exhibit 5
Proposed Budget
MDOT – Maryland Aviation Administration
(\$ in Thousands)

How Much It Grows:	Special Fund	Federal Fund	Total
Fiscal 2025 Actual	\$250,437	\$0	\$250,437
Fiscal 2026 Working	259,088	0	259,088
Fiscal 2027 Allowance	269,992	0	269,992
Fiscal 2026-2027 \$ Change	\$10,904	\$0	\$10,904
Fiscal 2026-2027 % Change	4.2%	N/A	4.2%
Where It Goes:			<u>Change</u>
Personnel Expenses			
Employee and retiree health insurance			\$2,228
Overtime			853
Regular earnings			599
Other fringe benefit adjustments			164
Other Changes			
Airport shuttle bus and van service increases expected due to pending new contract.....			2,134
Insurance.....			2,204
Fuel and utilities including for the A/B Connector terminal expansion			1,424
Airport Ambassador services.....			105
Management study (safety management system initiatives)			500
System maintenance services			500
Fleet-Pro technical support for fleet maintenance			154
Janitorial and laundry services.....			353
MDTA police			344
Environmental compliance activities.....			260
Marketing of BWI Marshall Airport.....			250
Motor vehicle gas and oil			218
Work on building exteriors			185
Motor vehicle maintenance and repair			168
Shuttle bus tracking software.....			141
Employee awards.....			80
Decreased funding for janitorial supplies to match actual spending			-295
Telephone costs reduce to match actual spending			-500

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Where It Goes:	<u>Change</u>
Management services funding realigned to contractual services for consultant support services.....	-610
Energy conservation project loan repayment fully repaid.....	-801
Other changes	246
Total	\$10,904

BWI Marshall Airport: Baltimore/Washington International Thurgood Marshall Airport
MDTA: Maryland Transportation Authority
MDOT: Maryland Department of Transportation

Note: Numbers may not sum to total due to rounding. The fiscal 2026 working appropriation accounts for deficiencies. The fiscal 2027 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency’s budget.

Operating Revenues

MAA generates operating revenues through flight activities, concessions, and other operations at BWI Marshall Airport and MTN. While MAA’s revenues flow into the Transportation Trust Fund and do not directly subsidize its own expenses, **Exhibit 6** shows net revenues, net income, and net total income/loss for illustrative purposes. MAA revenue more than covers its operating expenses but not its capital expenses.

Exhibit 6 Special Fund Revenues and Expenditures Fiscal 2025-2027 (\$ in Millions)

<u>Operating Revenues</u>	<u>Actual 2025</u>	<u>Working 2026</u>	<u>Allowance 2027</u>	<u>\$ Change 2026-2027</u>	<u>% Change 2026-2027</u>
BWI Marshall Airport – Flight Activities	\$71.6	\$79.1	\$82.2	\$3.1	3.9%
BWI Marshall Airport – Rents and User Fees	105.2	119.4	131.6	12.2	10.2%
BWI Marshall Airport – Concessions	155.9	137.3	142.6	5.4	3.9%
BWI Marshall Airport – Other	11.3	14.4	5.6	-8.8	-61.2%
MTN – Rents, Concessions	10.1	10.4	10.7	0.3	3.0%
Total	\$354.0	\$360.7	\$372.8	\$12.1	3.4%

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	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>\$ Change</u>	<u>% Change</u>
<u>Operating Revenues</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2026-2027</u>	<u>2026-2027</u>
Revenue Bonds Debt Service	-\$33.3	-\$45.9	-\$56.4	-\$10.5	22.8%
Net Operating Revenues	\$320.7	\$314.8	\$316.4	\$1.7	0.5%
Capital Reimbursements to TTF	\$0.2	\$0.0	\$0.0	\$0.0	
Operating Expenditures (Special)	\$250.4	\$252.6	\$270.0	\$17.4	6.9%
Net Operating Income	\$70.3	\$62.2	\$46.4	-\$15.7	-25.3%
Capital Expenditures (Special)	\$87.5	\$87.0	\$70.7	-\$16.3	-18.7%
Net Income/Loss	-\$17.0	-\$24.8	-\$24.3	\$0.6	-2.3%

BWI Marshall Airport: Baltimore/Washington International Thurgood Marshall Airport
 MTN: Martin State Airport
 TTF: Transportation Trust Fund

Source: Maryland Aviation Administration; Department of Legislative Services

Operating and PAYGO Personnel Data

	FY 25	FY 26	FY 27	FY 26-27
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>
Regular Operating Budget Positions	469.50	469.50	458.50	-11.00
Regular PAYGO Budget Positions	<u>35.00</u>	<u>39.00</u>	<u>36.00</u>	<u>-3.00</u>
Total Regular Positions	504.50	508.50	494.50	-14.00
Operating Budget FTEs	2.00	2.00	2.00	0.00
PAYGO Budget FTEs	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total FTEs	2.00	2.00	2.00	0.00
Total Personnel	506.50	510.50	496.50	-14.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	36.45	7.95%
Positions and Percentage Vacant as of 12/31/25	48.30	9.77%
Vacancies Above Turnover	11.85	

- The fiscal 2027 allowance transfers a total of 14 positions to the Secretary’s Office. This transfer is part of the Maryland Department of Transportation’s (MDOT) efforts to consolidate the modes’ information technology functions. MAA’s regular operating positions decrease by 11 positions in fiscal 2027 from 469.5 to 458.5. Regular pay-as-you-go (PAYGO) positions decrease by 3 positions in fiscal 2027 from 39 to 36.
- The number of vacant positions in MAA as of December 2025 has increased from 36.30 to 48.30 positions since December 2024. MDOT indicates that the increase in vacant positions is due to certain positions being difficult to fill in part related to salary expectations as well as the hiring freeze.

PAYGO Capital Program

Program Description

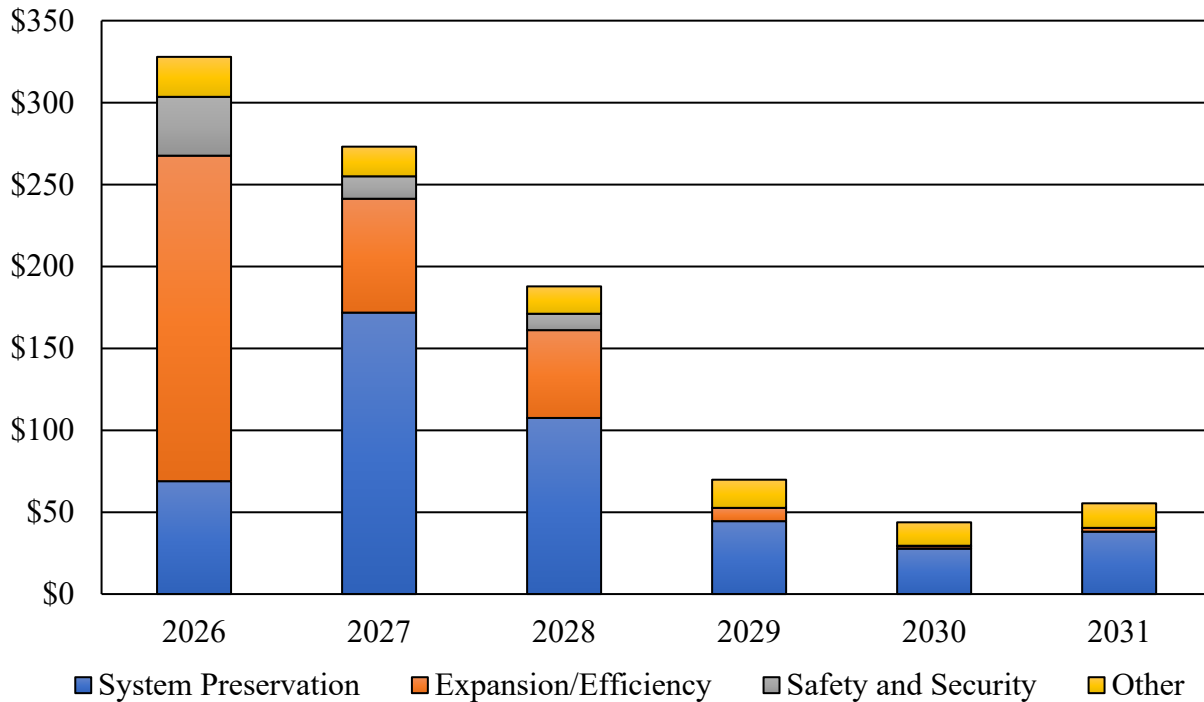
The MAA capital program provides for the development and maintenance of facilities at BWI Marshall Airport and MTN. MAA undertakes projects that meet the demands of commercial

and general aviation for both passenger and cargo activities at BWI Marshall Airport. At MTN, capital investments consist of facility improvements and rehabilitation activities, such as runway and taxiway improvements, building and system renovations, and various maintenance projects.

Fiscal 2026 to 2031 Consolidated Transportation Program

As shown in Exhibit 7, MAA’s six-year capital program (fiscal 2026 to 2031) totals \$957.8 million. Nearly 48% of the six-year spending is programmed to address system preservation needs to maintain existing facilities in, or bring them into, a state of good repair. Expansion/efficiency projects account for a further 35% of programmed spending, and 11% is devoted to projects addressing safety and security.

Exhibit 7
Six-year Programmed Capital Spending by Investment Category
Fiscal 2026-2031
(\$ in Millions)



Note: Other includes salaries and wages along with the investment categories of environment, safety and security, local funding and administration.

Source: Maryland Department of Transportation, 2026 Consolidated Transportation Program; Department of Legislative Services

Fiscal 2027 Capital Allowance

The fiscal 2027 allowance for the MAA capital program totals \$273 million. **Exhibit 8** shows the fiscal 2027 capital program for MAA by project and program along with the total estimated project costs and six-year funding included in the *Consolidated Transportation Program (CTP)*.

Exhibit 8
Maryland Aviation Administration Capital Program
Fiscal 2027
(\$ in Millions)

<u>Project/Program Title</u>	<u>2027</u>	<u>Total Cost</u>	<u>Six-year Total</u>
Projects			
Consolidated Rental Car Facility Improvements at BWI Marshall Airport	\$12.5	\$25.8	\$25.6
Taxiway T Reconstruction at BWI Marshall Airport	0.6	42.2	12.5
BC Apron Reconstruction, Infill and Taxiway Improvements at BWI Marshall Airport	9.6	72.5	45.1
DX/DY Apron Pavement Rehab at BWI Marshall Airport	17.7	36.4	35.4
Concourse E Baggage Handling System Expansion at BWI Marshall Airport	23.2	43.5	41.5
Electrical Substations Reconstruction at BWI Marshall Airport	2.1	30.0	9.1
D/E Bag Claim Expansion at BWI Marshall Airport	4.8	18.6	16.5
Runway 10/28 Rehabilitation at BWI Marshall Airport	75.7	77.5	76.3
Passenger Movement Modernization at BWI Marshall Airport	36.5	83.4	80.4
Snow Equipment Replacement at BWI Marshall and Martin State Airports	4.1	19.4	8.9
Ticket Counter Expansion Program at BWI Marshall Airport	11.4	27.3	25.2
Taxiway F Extension at Martin State Airport	2.8	5.0	4.7
Runway Improvement Program at Martin State Airport	0.4	43.3	8.5
Air Traffic Control Tower, Concourse C/D Baggage Handling System and Connector Project at BWI Marshall	2.5	9.0	5.1
Roof Replacement Program at BWI Marshall Airport	7.8	20.2	19.0
North Cargo Pavement Rehabilitation at BWI Marshall Airport	7.5	36.7	36.6
Concourse A/B Connector and Baggage Handling System Replacement at BWI Marshall Airport	1.1	491.0	137.1

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<u>Project/Program Title</u>	<u>2027</u>	<u>Total Cost</u>	<u>Six-year Total</u>
Airport Traffic Control Tower at Martin State Airport	8.3	27.3	23.3
Enterprise IT Capital Program – MAA OTTS	4.4	62.6	26.1
<i>Subtotal – Projects</i>	<i>\$232.9</i>	<i>\$1,171.8</i>	<i>\$637.1</i>
Programs			
Minor Program	\$25.8	n/a	\$154.9
Capital Salaries and Wages	7.7	n/a	39.1
Regional Aviation Assistance	3.5	n/a	20.5
Residential Sound Insulation Program	3.3	n/a	27.1
<i>Subtotal – Programs</i>	<i>\$40.3</i>		<i>\$241.6</i>
Total – Projects and Programs	\$273.2	\$1,171.8	\$878.7

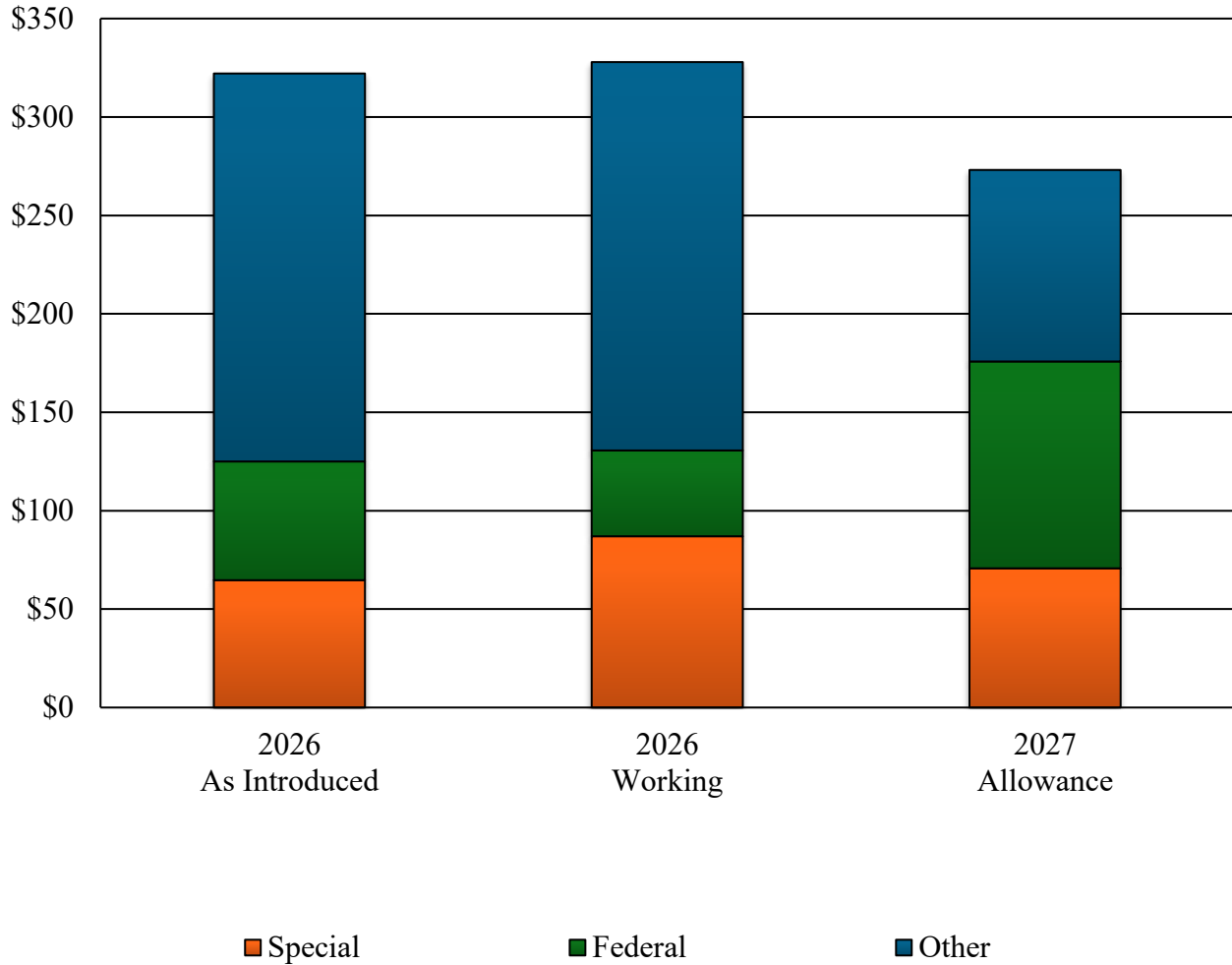
BWI Marshall Airport: Baltimore/Washington International Thurgood Marshall Airport
 IT: information technology
 MAA: Maryland Aviation Administration
 OTTS: Office of Transportation Technology Services

Source: Maryland Department of Transportation, 2026 *Consolidated Transportation Program*; Department of Legislative Services

Fiscal 2026 and 2027 Cash Flow Analysis

Exhibit 9 shows the changes in MAA capital funding, including other funds that do not flow through the MAA budget, between the fiscal 2026 budget as introduced during the 2025 session and the working appropriation, as well as between the working appropriation and the fiscal 2027 allowance.

Exhibit 9
Capital Cash Flow Changes
Fiscal 2026-2027
(\$ in Millions)



Source: Maryland Department of Transportation, 2025 and 2026 *Consolidated Transportation Programs*; Department of Legislative Services

Cash Flow Analysis – Fiscal 2026 Changes

As shown in **Exhibit 10**, the fiscal 2026 working appropriation increases by \$5.8 million over the fiscal 2026 budget as introduced during the 2025 session.

Exhibit 10
Cash Flow Changes
Fiscal 2026 as Introduced to Fiscal 2026 Working Appropriation
(\$ in Millions)

	<u>Project Change</u>	<u>Category Change</u>
Major Construction Program		-\$20.1
Concourse A/B Connector and Baggage Handling System Replacement at BWI Marshall Airport	\$10.2	
Enterprise IT Capital Program – MAA OTTS	8.7	
Concourse A/B Bag Claim 0-5 Reconfiguration at BWI Marshall Airport	3.8	
Aircraft Maintenance Facility Infrastructure at BWI Marshall Airport	3.6	
Airport Traffic Control Tower at Martin State Airport	1.3	
Concourse E Baggage Handling System Expansion at BWI Marshall Airport	1.1	
Passenger Movement Modernization at BWI Marshall Airport	0.8	
Electrical Substations Reconstruction at BWI Marshall Airport	0.8	
Taxi lanes N and N1 Reconstruction at BWI Marshall Airport	0.8	
Runway 10/28 Rehabilitation at BWI Marshall Airport	0.6	
North Cargo Pavement Rehabilitation at BWI Marshall Airport	0.1	
Regional Aviation Assistance	0.0	
Snow Equipment Replacement at BWI Marshall and Martin State Airports	-0.1	
Runway Improvement Program at Martin State Airport	-0.5	
Runway 15R/33L and Associated Taxiways – Pavement Rehabilitation at BWI Marshall Airport	-0.8	
Taxiway F Extension at Martin State Airport	-1.6	
Taxiway T Reconstruction at BWI Marshall Airport	-2.0	
Air Operations Area Fence Upgrade at BWI Marshall Airport	-2.1	
Fuel Storage Tank Additions at BWI Marshall Airport	-2.2	
Multi Use Flight Information Display Systems Replacement at BWI Marshall Airport	-5.0	
Consolidated Rental Car Facility Improvements at BWI Marshall Airport	-5.1	
Taxiway F Relocation at BWI Marshall Airport	-5.3	
BC Apron Reconstruction, Infill and Taxiway Improvements at BWI Marshall Airport	-6.9	
Residential Sound Insulation Program	-7.1	
DX/DY Apron Pavement Rehab at BWI Marshall Airport	-13.3	

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	<u>Project Change</u>	<u>Category Change</u>
Development and Evaluation Program		-\$4.9
Air Traffic Control Tower, Concourse C/D Baggage Handling System and Connector Project at BWI Marshall Airport	\$2.6	
D/E Bag Claim Expansion at BWI Marshall Airport	1.5	
Roof Replacement Program at BWI Marshall Airport	0.5	
Snow Removal Equipment Building at BWI Marshall Airport	-1.6	
Master Plan and Airport Layout Plan Update for BWI Marshall Airport	-1.9	
Ticket Counter Expansion Program at BWI Marshall Airport	-6.0	
Minor Program		\$29.7
Capital Salaries and Wages		\$1.1
Total Change		\$5.8

BWI Marshall Airport: Baltimore/Washington International Thurgood Marshall Airport
IT: information technology
MAA: Maryland Aviation Administration
OTTS: Office of Transportation Technology Services

Source: Maryland Department of Transportation, 2025 and 2026 *Consolidated Transportation Programs*; Department of Legislative Services

Cash Flow Analysis – Fiscal 2026 to 2027 Changes

As shown in **Exhibit 11**, fiscal 2027 capital funding, including other funds, decreases by a net \$54.8 million from the current year working appropriation.

Exhibit 11
Cash Flow Changes
Fiscal 2026 Working Appropriation to Fiscal 2027 Allowance
(\$ in Millions)

	<u>Project</u> <u>Change</u>	<u>Category</u> <u>Change</u>
Major Construction Program		-\$46.6
Runway 10/28 Rehabilitation at BWI Marshall Airport	\$75.1	
Passenger Movement Modernization at BWI Marshall Airport	26.1	
DX/DY Apron Pavement Rehab at BWI Marshall Airport	16.1	
BC Apron Reconstruction, Infill and Taxiway Improvements at BWI Marshall Airport	8.4	
Concourse E Baggage Handling System Expansion at BWI Marshall Airport	7.8	
North Cargo Pavement Rehabilitation at BWI Marshall Airport	7.4	
Consolidated Rental Car Facility Improvements at BWI Marshall Airport	6.4	
Taxiway F Extension at Martin State Airport	2.8	
Regional Aviation Assistance	0.5	
Airport Traffic Control Tower at Martin State Airport	0.4	
Fuel Storage Tank Additions at BWI Marshall Airport	-0.4	
Snow Equipment Replacement at BWI Marshall and Martin State Airports	-0.6	
Taxilanes N and N1 Reconstruction at BWI Marshall Airport	-0.8	
Air Operations Area Fence Upgrade at BWI Marshall Airport	-0.8	
Runway Improvement Program at Martin State Airport	-1.0	
Residential Sound Insulation Program	-1.7	
Aircraft Maintenance Facility Infrastructure at BWI Marshall Airport	-3.6	
Enterprise IT Capital Program – MAA OTTS	-4.3	
Electrical Substations Reconstruction at BWI Marshall Airport	-4.8	
Taxiway T Reconstruction at BWI Marshall Airport	-11.4	
Taxiway F Relocation at BWI Marshall Airport	-11.9	
Concourse A/B Bag Claim 0-5 Reconfiguration at BWI Marshall Airport	-21.2	
Concourse A/B Connector and Baggage Handling System Replacement at BWI Marshall Airport	-134.9	
Development and Evaluation Program		\$19.6
Ticket Counter Expansion Program at BWI Marshall Airport	10.4	
Roof Replacement Program at BWI Marshall Airport	7.2	
D/E Bag Claim Expansion at BWI Marshall Airport	3.2	

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	<u>Project Change</u>	<u>Category Change</u>
Air Traffic Control Tower, Concourse C/D Baggage Handling System and Connector Project at BWI Marshall	-0.1	
Snow Removal Equipment Building at BWI Marshall Airport	-1.085	
Minor Program		-\$28.0
Capital Salaries and Wages		\$0.2
Total Change		-\$54.8

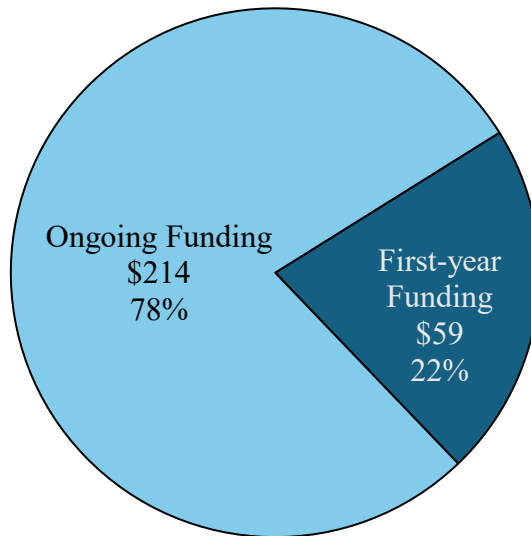
BWI Marshall Airport: Baltimore/Washington International Thurgood Marshall Airport
MAA: Maryland Aviation Administration
OTTS: Office of Transportation Technology Services

Source: Maryland Department of Transportation, 2026 *Consolidated Transportation Program*; Department of Legislative Services

First-year Construction and Design Funding

Statute requires the CTP to include tables listing projects receiving first-year funding for design or construction either in the budget year or the current year (if the funding was not shown in the budget year in the prior year CTP). As shown in **Exhibit 12**, \$59 million, or 22%, of MAA's fiscal 2027 capital funding, which totals \$273 million, is first-year funding. The MAA capital projects receiving first-year funding in fiscal 2026 and 2027 are listed in **Exhibit 13**.

Exhibit 12
First-year Ongoing Programmed Spending – All Funds
Fiscal 2027
(\$ in Millions)



Source: Maryland Department of Transportation, 2026 Consolidated Transportation Program; Department of Legislative Services

Exhibit 13
Projects Receiving First-year Construction and Design Funding
Fiscal 2026-2027
(\$ in Thousands)

	<u>2026</u>	<u>2027</u>	<u>2026-2027</u>
Construction			
Residential Sound Insulation Program	\$1,250	\$1,750	\$3,000
Restroom Improvement Program at BWI Marshall Airport	53	0	53
Regional Aviation Assistance Program	2,441	0	2,441
Taxiway F Extension at Martin State Airport	0	143	143
Snow Equipment Replacement at BWI Marshall and Martin State Airports	1,135	1,135	2,270
D/E Bag Claim Expansion at BWI Marshall Airport	0	4,755	4,755

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	<u>2026</u>	<u>2027</u>	<u>2026-2027</u>
Consolidated Rental Car Facility Improvements at BWI Marshall Airport	1,280	1,270	2,550
Passenger Movement Modernization at BWI Marshall Airport	150	25,993	26,143
Ticket Counter Expansion Program at BWI Marshall Airport	411	9,174	9,585
Roof Replacement Program at BWI Marshall Airport	0	7,503	7,503
Enterprise IT Capital Program – MAA OTTS	4,906	2,000	6,906
Design			
Regional Aviation Assistance Program	118	0	118
Concourse A/B Connector and Baggage Handling System Replacement at BWI Marshall Airport	96	0	96
Consolidated Rental Car Facility Improvements at BWI Marshall Airport	29	0	29
Ticket Counter Expansion Program at BWI Marshall Airport	31	0	31
Runway 10/28 Rehabilitation at BWI Marshall Airport	0	3,000	3,000
Taxiway F Extension at Martin State Airport	0	122	122
Air Traffic Control Tower, Concourse C/D Baggage Handling System and Connector Project at BWI Marshall Airport	2,500	2,500	5,000
Total	\$14,400	\$59,345	\$73,745
State (Special)			\$9,790
Federal			5,615
Other			58,340
Total			\$73,745

BWI Marshall Airport: Baltimore/Washington International Thurgood Marshall Airport
 IT: information technology
 MAA: Maryland Aviation Administration
 OTTS: Office of Transportation Technology Services

Source: Maryland Department of Transportation, 2026 *Consolidated Transportation Program*; Department of Legislative Services

Significant Changes from the Previous CTP

Exhibit 14 shows the significant changes to major projects from the 2025 CTP.

Exhibit 14
Major Changes from the 2025-2030 CTP
(\$ in Millions)

New Construction Program Projects	<u>Total Cost</u>
North Cargo Pavement Rehabilitation at BWI Marshall Airport	\$36.7
Runway 15R/33L Pavement Mill and Overlay at BWI Marshall Airport	12.5

BWI Marshall Airport: Baltimore/Washington International Thurgood Marshall Airport
CTP: *Consolidated Transportation Program*

Source: Maryland Department of Transportation, *2026 Consolidated Transportation Program*

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

PAYGO Budget Recommended Actions

1. Concur with Governor's allowance.

Updates

1. BWI Marshall Airport Concession Contract

In May 2022, MAA issued a request for proposals (RFP) for a new vendor to manage all retail, restaurant, and concessions space at BWI Marshall Airport. The first solicitation was canceled due to a lawsuit from the incumbent vendor, Fraport Baltimore Partnership, LLC (Fraport), and a second RFP was issued in September 2023. MDOT selected a new vendor, but that vendor declined to continue in the process, leading to Fraport's selection as the vendor under the new contract. MDOT submitted an agenda item for the Board of Public Work (BPW) to consider at its January 29, 2025 meeting for approval of a contract with Fraport to manage all retail, restaurant, and concessions space at BWI Marshall Airport on behalf of MAA. The item was withdrawn from the agenda for the January 29 meeting to allow BPW members more time for review and was resubmitted at the February 12, 2025 meeting. BPW approved the contract, which is for 23 years from the Notice to Proceed. It includes a 1-year development phase, a 2-year renovation phase, and a 20-year operation and management period. Under the new contract, Fraport has committed to a 90% revenue share to MAA. Fraport will cause its sublessees to enter into labor peace agreements with all labor organizations that represent at least 25 food and/or retail workers at BWI Marshall Airport and committed to have 49.6% Airport Concession Disadvantaged Business Enterprise (ACDBE) participation. However, the ACDBE program and the Disadvantaged Business Enterprise program are currently suspended, because of an Interim Final Rule issued by the US Department of Transportation on October 3, 2025, changing the definition of disadvantaged to no longer assume race or gender indicates one is socially or economically disadvantaged.

Appendix 1
Object/Fund Difference Report
Maryland Department of Transportation – Maryland Aviation Administration

<u>Object/Fund</u>	<u>FY25</u> <u>Actual</u>	<u>FY 26</u> <u>Wrk Approp</u>	<u>FY 27</u> <u>Allowance</u>	<u>FY 26 - 27</u> <u>\$ Change</u>	<u>% Change</u>
Positions					
01 Regular	507.50	508.50	494.50	-14.00	-2.8%
02 Contractual	2.00	2.00	2.00	0.00	0.0%
Total Positions	509.50	510.50	496.50	-14.00	-2.7%
Objects					
01 Salaries, Wages, and Fringe Benefits	\$75,130,563	\$67,862,175	\$71,615,117	\$3,752,942	5.5%
02 Technical and Special Fees	2,944,090	1,119,829	596,989	-522,840	-46.7%
03 Communications	1,317,236	2,550,354	2,050,254	-500,100	-19.6%
04 Travel	334,400	561,421	562,671	1,250	0.2%
06 Fuel and Utilities	16,917,099	14,304,761	15,005,587	700,826	4.9%
07 Motor Vehicle Operation and Maintenance	4,630,813	5,089,610	5,324,545	234,935	4.6%
08 Contractual Services	123,889,057	142,960,219	147,778,458	4,818,239	3.4%
09 Supplies and Materials	9,227,726	9,779,840	9,570,306	-209,534	-2.1%
10 Equipment – Replacement	633,455	1,223,395	376,000	-847,395	-69.3%
11 Equipment – Additional	1,041,528	0	0	0	n/a
12 Grants, Subsidies, and Contributions	4,600,667	4,071,622	4,570,801	499,179	12.3%
13 Fixed Charges	9,371,166	6,740,299	8,901,006	2,160,707	32.1%
14 Land and Structures	154,129,805	133,464,508	179,483,788	46,019,280	34.5%
Total Objects	\$404,167,605	\$389,728,033	\$445,835,522	\$56,107,489	14.4%
Funds					
03 Special Funds	\$337,938,365	\$346,087,834	\$340,704,130	-\$5,383,704	-1.6%
05 Federal Funds	66,229,240	43,640,199	105,131,392	61,491,193	140.9%
Total Funds	\$404,167,605	\$389,728,033	\$445,835,522	\$56,107,489	14.4%

Note: The fiscal 2026 appropriation includes proposed deficiency appropriations. The fiscal 2027 allowance does not include contingent reductions or statewide salary adjustments budgeted within the Department of Budget and Management.

**Appendix 2
Fiscal Summary
Maryland Department of Transportation – Maryland Aviation Administration**

<u>Program/Unit</u>	<u>FY25 Actual</u>	<u>FY 26 Wrk Approp</u>	<u>FY 27 Allowance</u>	<u>FY 26 - 27 \$ Change</u>	<u>% Change</u>
02 Airport Operations	\$250,436,808	\$259,087,956	\$269,992,211	\$10,904,255	4.2%
03 Airport Facilities and Capital Equipment	153,730,797	130,640,077	175,843,311	45,203,234	34.6%
Total Expenditures	\$404,167,605	\$389,728,033	\$445,835,522	\$56,107,489	14.4%
Special Funds	\$337,938,365	\$346,087,834	\$340,704,130	-\$5,383,704	-1.6%
Federal Funds	66,229,240	43,640,199	105,131,392	61,491,193	140.9%
Total Appropriations	\$404,167,605	\$389,728,033	\$445,835,522	\$56,107,489	14.4%

Note: The fiscal 2026 appropriation includes proposed deficiency appropriations. The fiscal 2027 allowance does not include contingent reductions or statewide salary adjustments budgeted within the Department of Budget and Management.