

Guidelines for the Submission of Funding Requests for State Budget Support from Non-Governmental Organizations

FY 2028

Thank you for your interest in seeking state budget support. As a non-government organization, you are a key part of Maryland's economy and are critical to the well-being of our residents, and we appreciate the work you do to better the lives of all Marylanders.

The State of Maryland is required by the Constitution to balance its budget every year, and the Governor's budget as introduced will be balanced - as it always is. The first priority for use of State funding must be the investment needs of the State agencies who are responsible for the provision of State government services.

A second priority for the use of State funding is to grow our state's economy, and provide for the growth of our state and protection of our residents. To ensure fiscal stability and health, it is a critical use of State funding to reserve cash in the Rainy Day Fund and other designated reserves to help address the impact of unexpected disruptions, such as natural disasters and economic downturns; these reserve funds are essential for sound fiscal management.

Third, we must prioritize State funding for the Governor's priorities as articulated to the voters who elected the Governor and detailed in the [Moore-Miller Administration's State Plan](#).

All of this is in the backdrop of the historic fiscal challenges Maryland faces. These challenges - a combination of impacts from federal government decisions, and long-outstanding programs - culminate in a serious fiscal operating shortfall in our state's budget. To face these challenges, we will continue to take a responsible, deliberate, and innovative approach to making State government work for Marylanders. That approach means keeping the delivery of services and programs to Marylanders a priority, and the elimination of noncritical programs.

Assuming the aforementioned priorities are met and there is additional funding available for investment in key priorities, the Moore-Miller Administration may selectively consider funding requests from Maryland's county governments as well as from Maryland-based non-profit organizations and institutions who contribute directly toward the Administration's goals and priorities for State government through public-private partnership.

For these reasons, we expect there will be limited capacity for new capital funding to non-governmental organizations. For a funding request from a non-governmental organization to be considered for State funding, the project or initiative must align directly with the role of State government, as articulated below, and directly support a public purpose.

State government's primary responsibilities include:

- Economic development (businesses rely on an educated workforce, a well-functioning transportation system, workforce supports such as quality and affordable childcare, and dependable and adequate infrastructure)
- Public safety (including corrections)
- Education (Pre-K-12 and higher education)
- Health care/public health
- Human services

- Infrastructure (transit, highways, bridges, utility infrastructure, housing, blight removal, etc.)
- Environmental protection and stewardship
- Judiciary
- Parks and recreation

Given the significant investment opportunities and needs across these key areas of responsibility, State government must be intentional, disciplined, and strategic with its allocation of State funding to ensure maximum impact toward priority outcomes.

Requests for Operating Support

The State of Maryland operates many programs through which nonprofit entities access annual operating support such as the Maryland State Arts Council's Grants for Organizations, the Maryland Community Health Resources Commission (CHRC), and the Maryland Department of Health's Opioid Operational Command Center. These programs currently provide operating support to hundreds of entities annually. Part of the rationale in establishing these programs was to insulate the Executive and Legislative branches from annual requests from organizations that fall into these broad areas, as well as to ensure that requests are closely aligned with existing authorized State programs, priorities, and the general scope of State government. This helps ensure the optimal use of State funds in a focused manner. There are agency-determined eligibility criteria, application and renewal processes, and regular reporting requirements for participating programs.

Any organization seeking operating support from State government should work through these existing programs or through the State agency that best aligns with their mission and activities. The Department of Budget and Management will refer any requests for operating support to these agencies for review and response, and will not separately consider requests for operating support.

Requests for Capital Support

Historically, capital grants to organizations outside of State government represent a very small portion of the State's overall capital budget given the significant capital needs within State government including for public schools and other State buildings, transportation, etc. The demand for State capital grants far exceeds the resources available in any year, especially in FY 2028. For comparison, in FY 2027, the Department of Budget and Management received over \$1.5B in requests for capital grants, with less than \$100 million available for disbursement. Therefore, the Administration must be extremely judicious and strategic with how it allocates funding for capital grants.

In addition to clear alignment with one of the 8 key areas of responsibility for State government mentioned earlier, proposals for State funding for capital projects will be evaluated based on the extent to which they:

- **Leverage other funding** from the federal government, local governments, or other private or non-profit funders; ideally State funding is the last funding committed and should represent no more than 20% of total project funding.
- Have a completed **feasibility study, defined scope and funding plan**; ideally the project should be "shovel-ready."
- Result in **new jobs for Maryland residents**, with an emphasis on permanent jobs, thereby improving the overall economic vitality of the State.

- Make **critical improvements to existing infrastructure** that will further the mission of the organization and benefit the general public.
- **Prioritize constituencies that traditionally have been overlooked** or not competitive for State investment.
- Produce **measurable improvements within 3-5 years in key outcome indicators** for the State; specifically, *what challenge is this investment helping to solve that without this funding would go unaddressed?*
- Include a documented **business plan for covering ongoing operating expenses** associated with the capital investment.

State funds may not be used for projects with a religious purpose.

Submission Instructions

Maryland-based organizations who wish to request State capital funding in the State's FY 2028 capital budget can submit a proposal that addresses how the project aligns with the State's key areas of responsibility and how the project aligns with the evaluation criteria outlined on pages 2-3 of this document. Proposals should include a total project cost estimate, a cash flow schedule and timeline by year (using the State fiscal year which runs from July through June with FY 2028 starting July 1, 2027), along with details regarding the other sources of funding allocated to the project. Proposals should be no longer than 10 pages in total inclusive of tables, appendices, etc.

All requests for funding in the FY 2028 budget should be submitted to the Department of Budget and Management at **FY2028Funding.Requests@Maryland.gov** **NO LATER THAN October 31, 2026**.

For organizations who have already submitted requests for capital funding in the Governor's FY 2028 budget, you can resubmit with additional information to address the evaluation criteria and other information requested herein or we can evaluate the request relative to other requests based on the information submitted previously.

For your information and awareness, we have included with this document a list of the existing capital grant programs administered by State agencies for consideration for future funding requests or if your organization is not successful with its request for inclusion in the FY 2028 State capital budget through this process. In addition to this list, organizations seeking funding can also visit compass.maryland.gov, a searchable, regularly updated database of grant and capital programs across the state.

The Moore-Miller Administration appreciates your interest in partnering with the State government to deliver the critical services that our citizens deserve.

Existing State Capital Grant & Loan Programs for Nonprofits & Local Governments

AGENCY	PROGRAM(S)
Aging	Senior Centers Capital Grant Program
Commerce	Maryland Arts Capital Grant Program
Emergency Management (Operating Funds)	Volunteer Company Assistance Fund Resilient Maryland Revolving Loan Fund
Environment	Bay Restoration Fund Wastewater Program

	Comprehensive Flood Management Program Maryland Water Quality Revolving Loan Fund Maryland Drinking Water Revolving Loan Fund Supplemental Assistance Program Water Supply Financial Assistance
Health	Community Health Facilities Grant Program
Housing and Community Development	Baltimore Regional Neighborhoods Initiative Business Façade Improvement Program Community Legacy Program National Capital Strategic Economic Development Fund Partnership Rental Housing Program Seed Community Development Anchor Institution Fund Shelter and Transitional Housing Facilities Grant Program Strategic Demolition Fund
Maryland Independent Colleges and Universities Association	Independent Colleges and Universities Capital Grant Program
Maryland Hospital Association	Private Hospital Capital Grant Program
Maryland State Library Agency	Public Library Capital Grant Program
Natural Resources	Community Parks and Playgrounds Greenspace Equity Program Program Open Space Resiliency Through Restoration Initiative Waterway Improvement Program Whole Watershed Restoration Partnership
Planning/Maryland Historical Trust	African American Heritage Preservation Grant Program Historic Preservation Grant Fund Historic Preservation Loan Fund