

Carol A. Beatty, Secretary  
Lisa Belcastro, Deputy Secretary

Wes Moore, Governor  
Aruna Miller, Lt. Governor



**MARYLAND DEPARTMENT OF DISABILITIES  
FISCAL YEAR 2025 JOINT CAPITAL BUDGET HEARINGS  
RESPONSE TO DEPARTMENT OF LEGISLATIVE SERVICES ANALYSIS**

**February 26, 2024**

**HOUSE APPROPRIATIONS COMMITTEE  
CAPITAL BUDGET SUB-COMMITTEE  
Delegate Mark S. Chang, Chair  
Delegate Jazz Lewis, Vice Chair**

**February 27, 2024**

**SENATE BUDGET & TAXATION COMMITTEE  
CAPITAL BUDGET SUB-COMMITTEE  
Senator Craig J. Zucker, Chair  
Senator Cory V. McCray, Vice-Chair**

Thank you for the opportunity to appear before the Capital Budget Sub-Committee today as you review the proposed capital budget for the Maryland Department of Disabilities (MDOD) Access Maryland Program for FY 2025. We would like to thank our assigned DLS analyst, Ms. Nathaly Andrade, for her thorough analysis and are pleased with the recommendation to concur with the Governor's allowance.

**Recommended Actions**

**Page 2, Item 1- Approve general obligation bond authorization for the Access Maryland Program.**

We respectfully support this recommended action.

## Page 4, Issues

### 1. **Maryland Department of Disabilities continues to carry high encumbrances balance.**

MDOD shares the committee's concern about the slow pace of annual encumbrances. We are seeing some recent improvements in this area that give us hope that the challenges experienced by agency project managers in the recent past may be lessening. Current estimates indicate that we will be able to encumber more than the \$1.9 million projected for projects authorized in fiscal 2024. Similar to the Current Planned Activity listed in CBIS, these are estimates based on initial project timeframes proposed by the project managers and are subject to change.

## Page 9, Issues

### 1. **MDOD should comment on the factors contributing to the low level of encumbrances from fiscal 2021 to 2023.**

Fiscal year 2021 was four (4) months into the start of the COVID-19 pandemic. During that time, we saw a drastic slowdown due to site closures, in-person restrictions, required health testing and mandates for site visits, staffing shortages, supply chain issues related to shipping, and rising costs of materials. By the time testing and mask mandates were lifted, project costs were more than what was initially submitted. The effects of increased costs have resulted in a ripple effect on scheduled projects. Since 2021, we have had many project managers indicate the need for increased project funding due to increases in cost estimates, materials, and staffing. These cost-increases have complicated project timelines, leading to stalled completion dates and slow encumbrances through 2023.

It also bears repeating that while MDOD consistently evaluates ways to guide, direct, and encourage more timely encumbrances and expenditures, that responsibility and duty lies with each agency, subagency, department, and/ or university. MDOD continues to maintain constant contact with project managers through emails, phone calls, virtual training sessions, and site visits.