

Carol A. Beatty, Secretary
Anne Blackfield, Deputy Secretary

Wes Moore, Governor
Aruna Miller, Lt. Governor



**MARYLAND DEPARTMENT OF DISABILITIES
FISCAL YEAR 2026 JOINT CAPITAL BUDGET HEARINGS
RESPONSE TO DEPARTMENT OF LEGISLATIVE SERVICES ANALYSIS**

March 3, 2025

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

March 4, 2025

**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 2026. We would like to thank our assigned DLS analyst, Ms. Nathaly Andrade, for her thorough analysis and we 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 10, Delays in Fund Allocation and Spending

Given the substantial funds earmarked for encumbrance, MDOD should comment on the adoption of a cash flow management procedure commencing in the next budget cycle. This initiative will enhance the assurance that funds are disbursed efficiently and effectively, thereby optimizing resource utilization.

MDOD acknowledges the importance of efficient fund disbursement, resource utilization, and improved program outcomes. We therefore concur with the suggestion to adopt a cash flow management procedure in FY27. As the analysis points out, state agencies and universities have faced challenges in fully encumbering funds due to project delays and rising costs, often necessitating project rebidding, staffing changes, and dealing with issues encountered during planning and design.

MDOD has been providing ongoing support to address these challenges through the Access Maryland program, which includes multiple annual webinars for project managers and direct outreach efforts offering one-on-one assistance throughout the funding cycle. Additionally, MDOD is prioritizing the encumbrance of the oldest capital appropriations for active projects, and we are committed to using the oldest appropriations to cover project overages.

To ensure the successful adoption of a cash flow management procedure, MDOD will take the time necessary to review similarly run capital programs within the state and welcomes input from the Department of Legislative Services (DLS). Most importantly, this review will allow MDOD to structure the implementation of this model for future Access Maryland-funded projects, minimizing the impact on previously awarded projects. We are hopeful that a measured implementation of the cash flow model will optimize resource utilization, and we are committed to working toward that end with our partner agencies and DLS.