



STATE OF MARYLAND

OFFICE OF THE GOVERNOR
Wes Moore

**FY 2026 OPERATING BUDGET TESTIMONY
OFFICE OF THE GOVERNOR**

Fagan Harris, Chief of Staff

Senate Education, Business and Administration Subcommittee
Senator Nancy King, Chair
February 21, 2025

House Public Safety and Administration Subcommittee
Delegate Jazz Lewis, Chair
Delegate Julian Ivey, Vice Chair
February 24, 2025

Thank you for the opportunity to appear before your Subcommittee as you review the proposed budget for the Office of the Governor.

Over the past year, the Moore-Miller Administration demonstrated bold leadership and decisive action, tackling some of Maryland's most pressing challenges while advancing a vision of opportunity and equity. At the core of our economic vision, this administration has introduced a pro-growth agenda focusing on industries of the future, such as life sciences, AI, cybersecurity, quantum computing, defense, and aerospace. In the wake of the Key Bridge collapse, the administration led a swift and coordinated response to reopen the port, provide financial assistance, and develop concept rebuild plans. Additionally, we've expanded global engagement, increasing communications with international partners and welcoming His Majesty King Abdullah II of Jordan to discuss opportunities. Prioritizing the well-being of Maryland's youth, we launched the ENOUGH Alliance Fund - doubling down on our commitment to leverage new and diverse fund sources for the betterment of Maryland and advancing our mission of leaving no one behind. Amid the federal administration transition, the Moore-Miller administration has remained resilient, securing resources and partnerships to strengthen and grow Maryland's economy and workforce. Through these efforts and more, the Moore-Miller Administration has continued to deliver on its promise of a stronger, more inclusive Maryland.

We extend our gratitude to our analyst, Scott Benson for his thorough analysis of our Fiscal Year 2026 budget.



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Fiscal 2025, Proposed Deficiency, Page 2.

Given the fiscal outlook, the Department of Legislative Services (DLS) recommends eliminating the \$480,000 deficiency appropriation for the federal government affairs contract.

In recognition of the current fiscal climate, the Governor's Office concurs with the DLS recommendation.

Personnel Data, Page 7.

DLS recommends deleting the 2 new positions for the Government Modernization Initiative and filling the roles by reclassifying long-term vacant positions.

The Office of the Governor respectfully disagrees with the recommendation. To date, the Governor's Office has six vacant positions in various stages of the recruitment process, all of which are expected to be filled by the end of March 2025. This administration has carefully evaluated the essential roles needed from the remaining six vacancies to ensure success with ongoing initiatives. Therefore, additional positions are necessary to implement the Government Modernization Initiative which is a new initiative that requires additional staffing.

The Government Modernization Initiative is a critical effort to identify efficiencies across state agencies, ensuring that taxpayer dollars are used responsibly and effectively. These positions will play a key role in streamlining government operations, eliminating redundancies, and modernizing outdated processes, all of which are necessary to play a part in closing the State's structural deficit. Furthermore, this initiative is designed to improve how the State government interacts with constituents - making services more accessible, responsive, and efficient.

The Governor's Office of Performance Improvement (GOPI) is leading the Government Efficiency Initiative to identify performance and cost inefficiencies in the delivery of state government services. In order to expand GOPI's role to include this initiative, we are requesting two additional staff to oversee these new activities. We believe the Governor's office leadership is necessary to show commitment "from the top" to this initiative. In addition, these cost savings will require a cross-agency approach that the Governor's Office is uniquely positioned to drive. Finally, we believe these two new staff will be a high return on investment for the state.

The efficiencies that are implemented as a result of these positions will result in an ~\$40 million net positive impact to the State's general fund.



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Operating Budget Recommended Actions, Page 7.

1. Reduce 2.0 new positions (N2617199 and N2617200). The Executive Department – Governor has 13 vacant positions as of December 31, 2024. The function of the new positions can be filled by reclassifying existing long-term vacant positions. -\$ 303,287 GF

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2. Eliminate the deficiency appropriation for the federal government affairs contract due to the fiscal condition of the State. -\$ 480,000 GF

In recognition of the current fiscal climate, **the Governor's Office concurs with the DLS recommendation.**