Carol A. Beatty, Secretary
Anne Blackfield, Deputy Secretary

Wes Moore, Governor
Aruna Miller, Lt. Governor

Maryland
DEPARTMENT OF DISABILITIES

MARYLAND DEPARTMENT OF DISABILITIES
FISCAL YEAR 2027 JOINT CAPITAL BUDGET HEARINGS
RESPONSE TO DEPARTMENT OF LEGISLATIVE SERVICES ANALYSIS

March 9, 2026

HOUSE APPROPRIATIONS COMMITTEE
CAPITAL BUDGET SUB-COMMITTEE
Delegate Malcolm P. Ruff, Chair
Delegate Mark S. Chang, Vice Chair

March 10, 2026

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 2027. We would like to thank our assigned DLS analyst, Ms. Connor Brown, 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.

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Page 10, Impact on Funding Priorities for Future Projects

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 and program outcomes.

MDOD acknowledges the importance of efficient fund disbursement, resource utilization, and improved program outcomes. We are in regular communication with both the Maryland Department of Budget and Management (DBM) and the Department of Legislative Services (DLS) for the purpose of identifying changes to our process to reduce the amount of earmarked encumbrances. We have identified and implemented several incremental strategies because of those discussions which are highlighted on page 10 of the analysis.

Regarding the strategy limiting the number of open projects per agency or university, we noticed both a drop in both the number of applications received and awarded between FY26 and FY27 which we take as a sign that applicants are looking more closely at their project timelines before moving forward with a request for funding. We will also implement a change in FY28 requiring awarded projects in the next application cycle to complete their design plans within nine months of award and to begin encumbering funds for the design phase within three months of award. Failure to comply with these guidelines would lead to cancelling the project barring any reasonable explanations for non-compliance. We expect this will cause more agencies to either further scrutinize their project timelines before applying or appropriately prioritize projects upon award.

MDOD remains committed to the principle of "Continuous Service Improvement" as outlined in our State Disabilities Plan. While we believe the incremental strategies currently being deployed—specifically the limitations on active projects and stricter encumbrance timelines—are the most effective tools for managing the Access Maryland pipeline, we recognize the value of exploring more formal cash flow management procedures.

We are open to further exploring the adoption of a cash flow management procedure and propose continuing our collaborative discussions that we had with the DLS and the DBM back in May of 2025. This timeline will allow us to review the results of the current application cycle and determine if further procedural shifts are necessary to optimize resource utilization and program outcomes.