



Supreme Court of Maryland

Robert C. Murphy Courts of Appeal Building
361 Rowe Boulevard
Annapolis, Maryland 21401

Matthew J. Fader
Chief Justice

(410) 260-3725

MARYLAND JUDICIARY
FISCAL YEAR 2027 CAPITAL BUDGET
RESPONSE TO DEPARTMENT OF LEGISLATIVE SERVICES ANALYSIS

C00*

SENATE BUDGET AND TAXATION COMMITTEE
CAPITAL BUDGET SUBCOMMITTEE
SENATOR CRAIG J. ZUCKER, CHAIR
MARCH 3, 2026

HOUSE APPROPRIATIONS COMMITTEE
CAPITAL BUDGET SUBCOMMITTEE
DELEGATE MALCOLM P. RUFF, CHAIR
MARCH 2, 2026

Out-year State-owned Projects

- 1. New Harford County District Court: The Judiciary should discuss (1) the current timeline for negotiations and the previous offers made to the landowners and (2) alternative project plans if the fourth parcel cannot be purchased.**

JUDICIARY RESPONSE:

(1) Since this is an active negotiation, the Department of General Services (DGS) Office of Real Estate is unable to share the amounts of the offers made for the property to date. Offers were made in 2024 and again in 2025 based on the original appraisals, within the limits of the available capital budget funding. To move negotiations forward in the of Fall 2025, DGS updated the appraisals and valued the fee simple interest and leasehold interest in the property separately.

Using this approach, the appraised value of the property increased, but it remains within the limits of the capital budget. As DGS was preparing to make updated offers in December 2025, there was a change in ownership of the leasehold interest, which delayed this offer. DGS plans to submit updated offers for both the fee simple and leasehold interests in March 2026.

(2). The alternate plan would be to build a taller, narrower and more expensive Courthouse. Building classification changes with the International Building Code (IBC) as the courthouse gets taller with more restrictions, increasing costs and requiring deeper footings, more steel, greater security measures, more elevators, more exterior materials, less parking, and support for HVAC/mechanical equipment on the roof.

- 2. Washington County District Court Renovation and Expansion: The Judiciary should comment on the need to replace the current generators for the facility and the impact it will have on the project's timeline.**

JUDICIARY RESPONSE:

The addition of the third courtroom to the existing courthouse along with renovations that will be undertaken as part of this contract necessitates the purchase of a new generator to meet increased electrical demand. Generators along with HVAC equipment are deemed long lead items and typically ordered at the beginning of construction contracts. Its planned purchase has no effect on the construction schedule.

- 3. New Anne Arundel County District Court: The Judiciary should comment on (1) the reasons for the project's delay and (2) the increase in the estimated total cost of the project.**

JUDICIARY RESPONSE:

Explanation of delay

The design phase cannot begin until land acquisition is completed. At the suggestion of the DGS Office of Real Estate, the District Court increased the amount of land acquisition funds to account for the delays. The District Court prioritized the completion of the Hubbard Courthouse (Shillman Renovation) and

the initiation of the Washington County third courtroom addition to accommodate the need for a third judge in Washington County. The new Anne Arundel County Courthouse was placed in line behind those two projects.

Increased costs

- *From FY25 to FY27 the gross square footage (GSF) for the new Anne Arundel County District Court increased from 141,514 to 149,102. This was due to adjustments made to the estimated square footage in the Part I program, which included a slight increase in Juvenile Services and an increase in secured parking. The cost estimate worksheet (CEW) is driven by square footage estimates, so any time the building's square footage is adjusted there is a proportional cost impact.*
- *The cost per square foot increased from FY25 to FY27: \$387 to \$429 for court space and \$333 to \$365 for support space.*
- *DGS also provides a construction market escalation rate to account for inflation, which increases the cost from year to year.*
- *The public art premium was 0.1% in FY25 and increased to 0.5% in FY27.*
- *Equipment cost was \$425,000 in FY25 and increased to \$468,000 in FY27.*
- *Information technology was \$710,000 in FY25 and increased to \$781,000 in FY27.*
- *The land acquisition cost increased from \$8 million in FY25 to \$10 million in FY27 based on recommendations from the DGS Office of Real Estate.*