Maryland Department of Labor
FY 2027 Operating Budget
Response to Department of Legislative Services Analysis

Testimony of
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Maryland Department of Labor

Senate Budget and Taxation Committee
Education, Business, and Administration Subcommittee
Senator Nancy J. King
March 5, 2026

House Appropriations Committee
Education and Economic Development Subcommittee
Delegate Stephanie Smith
March 4, 2026

Executive Summary

The Maryland Department of Labor (MD Labor) thanks the committee for the opportunity to present on its FY 2027 budget, and respond to the thorough analysis put forward by the Department of Legislative Services (DLS).

Maryland remains at a pivotal moment. Economic uncertainty, continued labor market shifts, and accelerating technological changes are reshaping what workers need, what employers demand, and what the government must be ready to deliver. In this environment, the State must prioritize economic growth, diversification, and resilience; build pathways of opportunity; and strengthen the safety nets and protections Marylanders rely on.

MD Labor's FY 2027 budget responds directly to these needs by advancing four key imperatives:

- **Grow Maryland's skilled workforce** in high-demand and high-wage sectors, including healthcare and Maryland's lighthouse industries (life sciences, IT, aerospace and defense, manufacturing), while preparing workers for the impacts of artificial intelligence.

- **Expand pathways to opportunity** through flexible training models, adult education, proven sector partnerships, and Registered Apprenticeship.

- **Protect workers, consumers, and the public** through strong regulation, enforcement, and modernized licensing and service delivery.

- **Strengthen economic safety nets**, so Marylanders can access timely support through Unemployment Insurance and Family and Medical Leave Insurance.

FY 2027 Budget Overview

The Department's FY 2027 budget proposal is designed to maintain essential services and support economic growth in a challenging fiscal environment. The Governor's allowance reflects a decrease of $40.6 million, or 5.6%, from FY 2026. The overall allowance comprises 56% Special Funds, 29% Federal Funds, 13% General Funds, and 2% Reimbursable Funds.

Notably, there is a General Fund reduction of $41.2 million (32%). This is primarily driven by shifting the Family and Medical Leave Insurance (FAMLI) Division from general to special funds, which corresponds with a $70 million increase in FAMLI's special funds.

The Department is also actively navigating significant federal funding cuts that disproportionately impact our Workforce Development and Adult Learning (DWDAL) and Unemployment Insurance (UI) divisions. This includes $25 million in clawed-back modernization grants, ongoing structural shortfalls in federal UI administrative funding, an $11 million reduction in federal Workforce Innovation and Opportunity Act (WIOA) funding over the past two fiscal years, and a recently proposed—but temporarily halted—federal elimination of all adult education funding. Despite these federal reductions and volatility, our budget prioritizes critical support to vulnerable Marylanders, limits the impact on those most in need, and targets enhancements that are critical to advancing economic growth and statewide readiness.

Scaling what works: Employment Advancement Right Now (EARN) Maryland and Registered Apprenticeship

EARN Maryland remains one of the State's most effective tools for driving economic growth by connecting workers to in-demand roles and meeting employers' workforce needs. A third-party evaluation found EARN generates over $19 in economic impact for every $1 invested.

The Department's FY 2027 allowance includes $15.3 million, level-funded with FY 2026, which saw a $5 million expansion of the program. The FY 2026 budget is expected to support nearly 5,000 workers, providing training and upskilling opportunities in high-growth industries like healthcare, technology, childcare, the building trades, and clean energy to meet the needs of more than 1,800 participating employers. With the $5 million increase provided in FY 2026, MD Labor is able to support an additional 2,000 workers, has added 200 new employers, and is prioritizing outreach to ENOUGH communities and SNAP recipients. In addition, MD Labor has grown the number of grantees by 25% and is providing additional investment in high-performing existing partners to scale proven models.

MD Labor is also continuing implementation of the Registered Apprenticeship Investments for a Stronger Economy (RAISE) Act, which reflected Governor Moore's priorities and recommendations from the Apprenticeship 2030 Commission. Critical to our success has been the Maryland General Assembly's historic investment in apprenticeship in Dedicated Purpose Account funds, which MD Labor first accessed in November 2025 to advance RAISE Act priorities. From that investment, MD Labor has launched the Maryland Apprenticeship Incentive Program, a pay-per-apprentice model to incentivize employers to hire and train new Registered Apprentices, with a particular emphasis on high school level registered apprenticeships. The Department also launched an Industry Apprenticeship Accelerator in February 2026 to create and expand apprenticeship in key sectors like finance, healthcare, and public administration, where apprenticeship is underutilized, but has great potential to meet business needs and help workers access opportunity.

Preparing Marylanders for a rapidly evolving economy

Rapid changes in technology and the labor market that are reshaping how work is performed across industries. The U.S. Treasury indicates that Maryland has the second-highest share of AI-exposed jobs in the country. A significant portion of the State's workforce are likely to see job tasks and skill requirements evolve as adoption accelerates, particularly in sectors that anchor our economy.

Maryland's ability to grow and diversify depends on developing skilled talent in the state's lighthouse and high-demand sectors. Through new investment in the Talent Innovation Fund (TIF), Cyber Maryland, and the agency's Office of Strategic Initiatives, the Department is strengthening talent pipelines in Information Technology (IT), Cyber and AI, life sciences, aerospace and defense, manufacturing, and healthcare.

The Cyber Maryland program moved to the Department at the start of FY 2026. Since that transition, MD Labor has been implementing the Maryland Cybersecurity Talent Strategy:

- **Cyber & AI Clinics:** The Department awarded $1.5 million to support three Cyber and AI Clinics, projected to train 600 Marylanders and support 60 organizations and employers.
- **Lighthouse and AI Internship support:** The Department has launched a $1.5 million investment ($750,000 from Cyber Maryland and $750,000 from Talent Innovation Fund) to place college students or recent graduates into internships in lighthouse industries, helping participants build skills and adapt to AI and other emerging technologies.

In parallel, the Talent Innovation Fund (TIF) has already bolstered workforce in key sectors; the TIF's proposed FY27 budget of $2 million would build on these investments:

- **Cyber ranges:** The **FY 2025** investment of $1.8 million enabled the establishment of cyber ranges at all 16 community colleges across the state. Since this launch, over 550

students have been served with over 350 completing the program and attaining nearly 250 credentials as of December 2025.
- **FY 2026 TIF investments include:**
  - **Lighthouse and AI Internship Program:** $750,000 to provide hands-on experiential learning via internships in lighthouse sectors.
  - **Lighthouse Upskilling and Reskilling:** $1 million to support workers in building skills and adapting to AI and emerging technologies in lighthouse sectors.
  - **Skilled Nursing pipeline:** a public-private, pay-it-forward initiative leveraging philanthropic support to grow the pipeline of skilled nurses.

MD Labor respectfully requests that the budget committees reject the recommendation to eliminate $2 million in new investment to launch MD TRAIN (Maryland Teaching Residents Artificial Intelligence Now!). MD TRAIN is a $2 million initiative to prepare Maryland workers for AI-related changes. Whereas the TIF is focused on the state's growth and priority sectors, MD TRAIN seeks to ameliorate the broader impacts that artificial intelligence will have on Maryland's businesses and workforce. A recent study by the Governor's Workforce Board identified training on AI tools and applications – for frontline workers through senior leadership – as the most urgent gap for Maryland businesses. MD TRAIN would support approximately 1,000 incumbent workers over three years, helping small and mid-sized businesses build capability to integrate AI into day-to-day operations. This investment will help Maryland employers can keep pace with change and remain competitive and establish a model that can be scaled through future public-private collaboration and commitments.

Expanding Pathways to Opportunity through Adult Education

On average, Marylanders with a high school diploma earn $10,000 more per year than those without one. Yet more than 450,000 Maryland adults lack a high school diploma, creating a significant barrier to employment, earnings, and economic mobility. Adult Education funds a statewide network of 23 adult education providers, including all 16 community colleges, local school systems, community-based organizations, a public library system, and correctional education programs. These providers deliver basic education and English language instruction to help Marylanders earn their high school diploma, increase their earning potential, and meet employer demands.

Adult Education operates with exceptional cost efficiency. In FY 2025, combined state and federal funds supported 31,309 learners at an average cost of approximately $500 per participant MD Labor routinely obligates and expends all available Adult Education funds. A technical accounting error created the appearance of underspending; however, funds were fully utilized in accordance with program requirements.

MD Labor respectfully does not concur with the proposed $400,000 reduction to Adult Education in FY 2027. While Adult Education could withstand a one-time $400,000 reduction, this additional $400,000 investment is essential to maintain the state's federally required

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Maintenance of Effort (MOE) level. A reduction of this size would trigger an additional $800,000 loss in federal funds, resulting in a total $1.25 million decrease. This would reduce services for approximately 2,700 Maryland adults. Such a reduction would weaken workforce participation, limit access to literacy, numeracy, and English language services, reduce high school credential attainment, and constrain Maryland employers' ability to find qualified talent. Additionally, it could impact taxable income at a time when the State needs revenue. Protecting this funding safeguards both federal resources and the state's long-term economic competitiveness.

Modernizing Unemployment Insurance and improving customer service

Unemployment Insurance provides a critical safety net supporting Marylanders who lose their job through no fault of their own. It also keeps trained workers attached to the Maryland labor market and helps stabilize the economy during challenging times. While UI benefits are paid through employer payroll taxes maintained in the UI Trust Fund, program administration is funded federally. Federal administrative funding is no longer keeping pace with the true cost of operating a modern UI program. Moreover, the U.S. Department of Labor rescinded $25 million in multiyear grants for UI modernization and service improvements.

Last year's Budget Reconciliation and Financing Act (BRFA) allocates 0.15% of the UI taxable wage base to administering the UI program, offsetting that amount by reducing employers' tax by the same amount to ensure no additional employer costs and no impact to the State's General Fund. These resources become available for the first time later this year and will allow MD Labor to pursue modernization efforts that improve customer support, accelerate delivery of benefits, and strengthen fraud prevention measures that protect public dollars.

To improve customer service, the Division of Unemployment Insurance re-established the state-staffed call center, which handled more than 20,000 calls per week in 2025 and gives residents and employers access to agents who provide a full range of support at a significantly reduced cost compared to the previous outside vendor. The Division also reopened in-person support at our Baltimore headquarters and three American Job Centers (Prince George's, Montgomery, and Baltimore counties) serving more than 14,000 residents in 2025.

Implementing paid leave: FAMLI progress and timeline

MD Labor remains fully committed to building and implementing a strong FAMLI program that will benefit Maryland workers, employers, and the economy. In FY 2026, the Department made substantial progress in the IT build for the program, including launching a new, accessible website; setting up financial systems; building employer registration and premium collection infrastructure; making further progress on the claims processing system; and standing up customer care capability. The Department has also advanced fraud prevention and scalability work to ensure program readiness.

Last year, MD Labor worked with the General Assembly to introduce amendments to adjust the FAMLI timeline. Under this shifted timeline, payroll deductions will begin January 1, 2027 and benefits will become available January 1, 2028. The Department is on target to meet these deadlines.

Strengthening protections and public-facing services

MD Labor's FY 2027 allowance continues investments in core functions responsible for safeguarding Marylanders, including worker protections, financial regulation, and improved public-facing services.

The Department is also focused on modernizing Occupational and Professional Licensing through the Electric Licensing Modernization (ELMO) project in alignment with Maryland's Major IT Development Project (MITDP) guidance, to deliver faster and better services to over 270,000 individuals and entities.

Office of Financial Regulation (OFR) - Highlights

With the pullback by federal financial regulators, state regulators such as OFR will see increased demands to meet supervisory needs and enforce consumer protections in FY 2027 and beyond.

In FY 2025, the OFR licensed and registered nearly 18,000 financial service providers, including mortgage originators, mortgage lenders and servicers, and money transmitters. Going forward, OFR expects that number to increase. This will include licensing of providers of Earned Wage Access products and the registration of virtual currency kiosk operators. Additionally, OFR's Money Services and Consumer Credit Supervisory Unit is responsible for supervising over 3,000 entities. This arena includes digital currencies such as stablecoins and crypto currencies. With the passage of the federal GENIUS ACT and push for the legalization of cryptocurrency staking activities, digital assets will continue to expand and place increased demands on the Office. Last year, Maryland had 224 licensed money transmitters, with a total transaction volume of $93.3 billion, including $18.9 billion in virtual currency volume.

Consumer outreach and enforcement continue to be a major focus. In FY 2025, OFR resolved over 1,000 complaints, obtaining a total of $325,322 in recoveries for consumers. The Division also engaged with 89,282 individuals who received Notices of Intent to Foreclose (NOIs) in FY 2025 providing vital information to homeowners in danger of foreclosure. The Division launched 51 new investigations in FY 2025, focusing on prevalent financial malpractices in mortgage services, debt relief programs, loan practices, and other critical sectors like credit reporting and unlicensed collections. Resolved investigations in FY 2025 resulted in $792,750 in penalties assessed, which were returned to the General Fund– a sum greater than the amount of General Funds appropriated for the Office in that year–and $3,064,335 in restitution ordered for harmed Maryland consumers.

Approximately 98% of OFR's revenues come from two Special Funds. The Banking and Credit Union Special Fund (of which $2.5 million is allocated to the Maryland Community Investment (MCIV) Authority Fund, a part of Governor Moore's Access to Banking Act initiative) and the Non-Depository Special Fund. Recent bank mergers have reduced revenues for the Banking and Credit Union Special Fund by 20%; the fund is now significantly dependent upon the continued existence of one institution. If that institution were no longer contributing, the Fund would be reduced by another 20%.

Funding has also been impacted by the General Assembly's modification of the Non-Depository Special Fund to eliminate branch licensing fees for non-depository institutions. That change reduced OFR's annual revenues by over $3.5 million and impacted its ongoing fund balance. As a result of the change, the Non-Depository Special Fund balance is subject to greater variability as about 50% of the non-depository revenue budget is based on the assessment model. The effect of this change is to make OFR reliant upon the Fund Balance to cover operating expenses for the first six months of each calendar year prior to collection of renewal and assessment fees.

Labor & Industry - Worker Protection Highlights

Wage and Labor Standards Enforcement: Labor & Industry has transformed the work of the wage and labor standards enforcement, more than doubling wage recoveries for Maryland workers: compared with an average of $729,000 annually in FY 2022 and FY 2023, the Department averaged $1.92 million in FY 2024 and FY 2025. The Department has already recovered $1.32 million in wages the first two quarters of FY 2026 – on track to significantly exceed last year's outcome. Along with new leadership and a field-focused, proactive approach with increased Spanish language capabilities, the additional PINs authorized by the Maryland General Assembly (MGA) in FY 2024 and FY 2025 have been key to this success.

Maryland Occupational Safety and Health (MOSH): MOSH responded to 125 accidents and 16 fatality events (the lowest number of fatalities in the State in several years). Compliance focuses on high hazard industries: of the 1,280 enforcement actions completed in the last federal fiscal year, over 70% were conducted under one of MOSH's Emphasis Programs. More than 6.5% of inspections were completed in the public sector, exceeding the federal goal of 5%. In 2026 MOSH must develop a workplace violence prevention standard and new reporting as required by the Davis Martinez Act. The Department plans to continue to draw on existing resources to meet these obligations.

MD Labor appreciates the budget committees' continued support and respectfully asks for support of the FY 2027 budget as proposed.

DLS Operating Budget Recommended Actions

Delete $2 million in general funds for Maryland Teaching Residents Artificial Intelligence Now! (MD TRAIN) due to the fiscal condition of the State.

Labor Response: MD Labor respectfully disagrees with this recommendation. MD TRAIN is a targeted program designed to help Maryland workers and employers keep pace with AI. The U.S. Treasury has found that Maryland has the second-highest share of AI-exposed jobs in the country, with roughly 30% of roles likely to be significantly exposed. A recent Governor's Workforce Board working group identified training on AI tools and applications – for frontline workers through senior leadership – as the most urgent need for Maryland businesses.

MD TRAIN would deliver an employer-led solution: a rolling training fund that reimburses up to 50% of eligible AI integration costs and requires a business match to ensure shared investment and real-world application. A $2 million investment will support approximately 1,000 incumbent workers over three years. This investment is designed to ensure Maryland employers can keep pace with change, remain competitive in key industries, and continue creating and sustaining quality job opportunities for Marylanders. Without targeted AI upskilling investments, the pace of change can outstrip employer capacity – narrowing opportunity pathways for workers and weakening Maryland's competitiveness over time. Maryland risks falling behind states that are moving aggressively on AI training and upskilling.

Reduce funding by $250,000 in general funds for the Dwyer Workforce Development grant to the fiscal 2026 level.

Labor Response: Dwyer Workforce Development has been a very effective workforce grantee addressing critical workforce shortages in healthcare. MD Labor recognizes that the State is faced with steep budget challenges and must make difficult decisions. MD Labor looks forward to continuing to support Dwyer Workforce Development through EARN, where the organization typically places more than 80% of individuals that complete programming into healthcare roles.

Reduce funding by $400,000 in general funds for the Adult High School External Program to the fiscal 2026 level after a proposed deficiency.

Labor Response: MD Labor respectfully disagrees with this recommendation and urges reconsideration of this proposal. MD Labor routinely obligates and expends all available Adult Education funds. A recent technical accounting error created the appearance of underspending; however, funds were fully utilized in accordance with program requirements.

Reducing state funds at this level will lead to significant loss of federal funds. Federal Adult Education dollars require a state match and "Maintenance of Effort" with recipients required to maintain annual state investments at 90% of the prior federal grant year. While Adult

Education could withstand a one-time $400,000 reduction in FY 2027, DLS' additional $400,000 reduction would mean for FY 2027 the State would fall below the required 90% threshold. The Department estimates this would be a 7.07% shortfall below 90%. **This $400,000 reduction results in an additional loss of $848,434 in federal funds.**

MD Labor estimates that these combined reductions of $1,248,434 will result in **loss of services to 2,700 participants annually.** The State's 23 sub-granted providers will not be able to meet service demands and student waitlists may grow into the thousands, forcing providers to apply triage or priority-of-service provisions to ensure support to the most vulnerable. Additionally, MD Labor's labor market research indicates that those with a High School Diploma earn at least $10,000 more per year than those without the credential.

In 2025, federal allotments were completely withheld for a period; while those funds were eventually released, the federal funding landscape remains uncertain. If those funds are eliminated or significantly reduced in the future, adult learners will be solely dependent on State dollars. **State funds are more flexible than federal dollars and allow MD Labor to serve participants according to Moore-Miller administration priorities**, as opposed to federal funds, which are guided by the evolving priorities of the federal government.

Finally, this reduction will negatively impact MD Labor's adult education grantees (annual state grant awards cover costs related to professional development, data collection/entry/analysis, and mandatory reporting). This includes all of Maryland's 16 community colleges, a K-12 school system, a public library system, and various non-profit organizations (MD Labor subawards 100% of the State Adult Education funds to these organizations). In FY 2025, MD Labor's combined State and federal Adult Education funds served 31,309 learners at an average cost of only $500 per learner. **Budget cuts will require providers to reduce services and potentially lay off administrative staff and instructors**.

DLS BRFA Recommended Actions

Amend a provision modifying the date for a $37.3 million transfer from the Local Income Tax Reserve Account to the General Fund from on or before June 1, 2025, to on or before June 1, 2026, as the modified date is in the past and prior to the bill's effective date.

Labor Response: MD Labor concurs with the recommendation.

DLS Requests for Comment

The DLS analysis asked MD Labor to respond to the following questions and concerns:

MD Labor should comment on how much of the federal fund revenue accruals have been collected since the close of fiscal 2025. (Page 9)

Labor Response: As indicated in the Office of Legislative Audits Closeout audit report, MD Labor's FY 2025 net federal fund accrual was $195 million. As of March 2, MD Labor has collected $147 million in federal fund revenue, of which $44 million has been allocated to the FY 2025 federal fund accrual. The remaining $103 million is being reconciled and will be allocated to either the prior year federal fund accrual or current year federal fund activities. We anticipate a full revenue reconciliation before closing out FY 2026 actions.

MD Labor should comment on the reasons for the high vacancy rate in DWDAL as well as plans to fill vacant positions across the department. (Page 17)

Labor Response: Of the 96.5 vacancies reported by DLS for DWDAL, only 50 positions are currently vacant as of February 27, 2026. The remaining positions are Senior Citizen Aide roles related to the Senior Community Service Employment Program (SCSEP). These are participant training slots, not authorized state PINs, but appear as vacant in standard vacancy reports. SCSEP, administered by the U.S. Department of Labor, provides part-time, paid training opportunities to low-income, unemployed individuals aged 55 and older. DWDAL is one of two grant administrators in Maryland and uses the Workday system to manage placements. These positions fluctuate based on enrollment and do not represent unfilled state staffing needs.

Excluding SCSEP, the remaining vacancies are primarily federally funded positions supported through the WIOA. Hiring into these positions has been managed conservatively due to uncertainty in federal funding levels, including recent federal proposals to reduce or eliminate certain workforce programs, as well as the state hiring freeze. FFY 2026 appropriations provide level national funding for WIOA programs. However, state allocations are formula-driven: due to Maryland's comparatively low unemployment rate, the state has experienced an $11 million reduction in WIOA funding over the past two fiscal years, and may see additional decreases in FFY 2027. Now that topline federal WIOA appropriations for FFY 2026 have been finalized, DWDAL is actively prioritizing hiring into critical federally funded positions to ensure continuity of workforce services statewide.

Beyond DWDAL, approximately 230 of the vacant positions are yet-to-be-created positions in FAMLI. FAMLI currently has 72 State employees, with plans to grow to 121 by the end of FY 2026, and to 228 by the end of FY 2027. FAMLI is onboarding customer care, employer services, insurance plan compliance, appeals, and financial services positions which will all play

critical roles in employer registration, submission of quarterly wage and hour reports, and contributions. The FAMLI division will grow more in FY 2028 as the Department hires for claims and benefits positions leading up to benefits launch in January 2028.

Excluding the temporary positions and new FAMLI positions, the Department of Labor has 232 vacancies, a 13.6% vacancy rate.

MD Labor should comment on the total amount of unrecoverable overpayments as well as how much of the unrecoverable overpayments would have been returned to the UI Trust Fund versus returned to the federal government as part of federal pandemic UI. Additionally, MD Labor should comment on collection activities to date, including how many overpayments have been repaid since collection activities resumed. (Page 26)

Labor Response: MD Labor recovered over $520 million in overpayments in 2025 and is actively pursuing another $1.3 billion in potential overpayments that the previous administration failed to address, including some of the funds noted in the audit as potentially uncollectable. MD Labor instituted federally required notice and appeal rights which has enabled the Department to restart the overpayment recovery process.

Overpayments referenced in the audit finding that were made more than three years ago where no notice was given previously are now beyond the statute of limitations. MD Labor is seeking recovery of overpayments that are both plausibly recoverable and can lawfully be pursued under state and federal law. Unfortunately, many of these overpayments involve pandemic-era claims that used stolen identities, so they are particularly challenging to recover.

In December 2025, MD Labor sent over 180,000 letters regarding potential overpayments that were never addressed after the prior administration paused the overpayment recovery process. Each letter notified the claimant of the potential overpayment and offered the opportunity to resolve identity issues and the ability to appeal the Department's decision, as required by law. For those that do not appeal or provide other reasons the overpayment is invalid — such as appropriate validation of the original claim or if the claimant was a victim of identity theft — resolution can take many months or longer. Key outcomes thus far:

Fraud indicated by the resident. Overpayment removed from claimant record	9,674
ID issue addressed. overpayment nullified	2,858
Filed an appeal (excludes those withdrawn)	7,468
Paid or established a payment plan ($7.6M collected)	3,698
Requested waiver	87

The agency is gathering data on the full amount of overpayments recovered since collection activities resumed, and will provide that information when it is available.

MD Labor should comment on plans for utilizing the remaining $3 million in the DPA. (Page 29)

Labor Response: MD Labor is continuing implementation of the RAISE Act, which reflected Governor Moore's priorities and recommendations from the Apprenticeship 2030 Commission. This work is supported by the MGA's historic investment in apprenticeship in Dedicated Purpose Account (DPA) funds, which MD Labor first accessed in November 2025.

With an initial $12 million investment, MD Labor has launched the *Maryland Apprenticeship Incentive Program*, a pay-per-apprentice model to incentivize employers to hire and train new Registered Apprentices, with a particular emphasis on high school level registered apprenticeships in alignment with the Blueprint for Maryland's Future. And in February 2026, the Department launched the *Industry Apprenticeship Accelerator* to create and expand apprenticeship in key sectors like finance, healthcare, and public administration

The remaining $13 million, which includes the $3 million referenced by DLS will support sustained investment in the *Industry Apprenticeship Accelerator*, the *Maryland Apprenticeship Incentive Program*, and initiatives recommended by the Apprenticeship Advisory Board. Final allocations will be guided by FY 2026 program uptake and performance outcomes to ensure results-driven deployment, with a priority on expanding access for high school students consistent with the Blueprint for Maryland's Future.

Continued DPA funding for Registered Apprenticeship will support expanded employer recruitment, intensive youth engagement strategies, and sustained infrastructure support.

MD Labor should comment on the timeline for submitting an updated fiscal 2026 budget amendment. Additionally, MD Labor should comment on the total amount needed from the CEA to cover FGEALF expenditures in fiscal 2026.

Labor Response: MD Labor is in close discussions with DBM regarding a budget amendment from the Catastrophic Event Account for the Federal Government Employee Assistance Loan Fund. The potential for a February shutdown necessitated a delay in finalizing the amendment.