



# SESSION IN REVIEW

APRIL 2026

## 2,654

Number of bills introduced

### 1,008

Senate bills were introduced this legislative session.

### 1,646

House bills were introduced this legislative session.

## 887

Number of bills passed this legislative session

878 bills, including all six of the Comptroller's priorities, were declared passed at the close of *Sine Die*.

## 98

Number of letters and or in-person testimony

## 250+

Number of bills tracked by the Government Affairs team

During this legislative session, the Comptroller's Government Affairs (GA) team actively tracked and provided cross-divisional fiscal note assessments on **250+** bills through targeted policy mapping and legislature-to-GA direct engagement



# SESSION IN REVIEW

## APRIL 2026

To catalogue our efforts over the 2026 Session, the Government Affairs Team compiled this end-of-session report for the Comptroller's leadership team. This internal report provides a comprehensive overview of the bills introduced by the Comptroller, proposed legislation tracked and influenced by Government Affairs, and budget decisions made by the Maryland General Assembly and their impact on the agency. This report also outlines agency success stories contributed to by the Government Affairs team. This "Session in Review" report is a valuable resource that can be used as an agency reference to address inquiries from both internal and external stakeholders.

## 1. INTRODUCTION

On April 13, 2026, the Maryland General Assembly completed its 448th legislative session. Lawmakers introduced approximately 2,650 bills spanning a wide range of policy issues, including immigration, education, and renewable energy. The Office of the Comptroller of Maryland (COM) remained actively engaged throughout the session, offering review, analysis, and guidance on numerous proposals with implications for the agency and Marylanders.

From the 3,473 bills, legislative bond initiatives, and joint resolutions introduced, the COM's Government Affairs team (GA Team) identified nearly 250 bills that carried a direct operational impact on the Comptroller's Office. The team conducted a detailed assessment of each bill to evaluate potential effects on agency operations, including division-specific responsibilities, staffing implications, implementation requirements, and associated costs.

The GA Team continued its strong partnership with divisional leadership and staff across the agency to ensure the accuracy and timeliness of information included in fiscal notes. Over the 90-day session, the team participated in briefings and hearings, met with legislators and their staff, and engaged regularly with internal and external stakeholders.

Key statistics summarizing the Comptroller's 2026 legislative activity appear below.

### 2026 Legislative Session Stats:

- Number of bills introduced this legislative session: **2654**
- Senate bills introduced this legislative session: **1008**
- House bills introduced this legislative session: **1646**
- Number of bills passed this legislative session: **887**
- Number of bills tracked by the Government Affairs team: **250+**
- Number of letters and/or in-person testimony: **98**

## 2. MAJOR ISSUES OF THE 2026 SESSION

### THE FY27 BUDGET

Governor Wes Moore signed the fiscal year 2027 state budget into law on April 8, delivering a \$70.8 billion spending plan that includes no new taxes or fees. The budget package closed a projected \$1.5 billion structural deficit largely through fund swaps and reductions while maintaining Maryland's Rainy Day Fund at 8%.



## Budget highlights include:

- A \$10.1 billion investment in K-12 education, representing a nearly 17% increase in overall K-12 funding since the start of the Moore-Miller administration.
- More than \$100 million in targeted business tax incentives and over \$50 million in quantum-related investments, including \$20 million toward IonQ's new College Park headquarters and \$22 million for the University of Maryland Enterprise Corporation's Quantum Start-Up Foundry.
- Over \$124 million for public safety through the State Aid for Police Protection Program, and \$10.6 million for the Department of Juvenile Services to expand community-based programs for justice-involved youth.
- Approximately \$127 million was cut from the Development Disabilities Administration (DDA), making this the second year in a row that DDA saw major cuts.
- State employee cost-of-living adjustment reduced from 2% to 1.5%.

## COM Impact

As originally introduced, the Governor's budget included **\$6.7M** in additional one-time funding for COM. This is targeted funding, going directly to our divisions, to support our core operations, including: new vehicles for the Field Enforcement Bureau; replacement of the mailroom inserters; contractual support for the climate change study; an increase in the RAD lockbox contract; and data encryption services for the Compass project. The budget (as introduced) did not fund any new PINs for the agency.

COM worked with House and Senate leadership and the Department of Budget and Management to advocate for additional resources and added 25 TSD PINs via a budget amendment, 28 Compliance and Legal PINs in the second supplemental budget, and \$350,000 in the capital budget for renovations to the RAC building.

In addition to the allocated resources, the 2026 Budget Bill includes provisions related to several studies COM is leading, including:

- \$150,000 for a comprehensive study of the HVAC systems in four 21<sup>st</sup> Century School Buildings in Baltimore City experiencing chronic operational challenges,
- \$200,000 for a study related to economic growth trends in Maryland as part of the enactment of legislation establishing Maryland's Future Board, and
- \$270,000 to supplement the FY26 appropriation for the ongoing study about the total assessed cost of greenhouse gas emissions in the State.

## 3. JOINT CHAIRMEN'S REPORT

COM developed a set of recommendations outlining actions the agency could take to ensure accurate State financial management and accounting and enhance the reliability of statewide financial reporting. Many of those recommendations were incorporated into the 2026 Joint Chairmen's Report (JCR) as a budget narrative. Specifically, the JCR requires COM to:

- Develop competency frameworks for key positions in State fiscal leadership and create internal certification programs for fiscal processes throughout State government in collaboration with DBM;
- Review position descriptions filed through MS-22 forms with DBM for State chief financial officers and equivalents and provide recommendations to align them with competency standards and best practices as needed;
- Develop and train an analytics team of systems control accountants to supervise and review reporting analytics, review activity around use of COVID-19-related funding, and partner with the Office of State Financial Innovation within the Comptroller on modernization efforts;
- Contract with a qualified external audit consulting firm to provide guidance on updating the State's



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internal financial controls and Accounting Procedures Manual, including a review of federal grants; and

- Collect remediation reports from each State agency that has a single or recurring audit finding related to financial statements in the most recent legislative audit cycle.

### 4. BUDGET RECONCILIATION & FINANCING ACT (BRFA)

The 2026 Budget Reconciliation & Financing Act (BRFA) included no new taxes or fees. Instead, the BRFA balanced the operating budget through the use of revenue actions, fund balance transfers, and reductions:

- **Revenue actions (\$135 million), including**
  - Decoupling from HR 1/OBBBA provision re: qualified production property deduction (\$122.5 million)
  - Partial decoupling from HR 1/OBBBA provision re: eligible investment deductions (\$10.3 million)
  - Student debt relief tax credit changes (\$2 million)
- **Fund balance transfers (\$888 million), including**
  - \$380 million from Local Income Tax Reserve Account overallocation
  - \$292 million in transfers related to the Strategic Energy Investment Fund (SEIF)
  - \$119.2 million from Fiscal Responsibility Fund
  - \$70 million from the Bay Restoration Fund in 2027
- **Contingent general fund reductions (\$84.3 million), including...**
  - \$39.3 million from MSDE and MSLA by altering the State share of retirement costs for teachers, community colleges, and librarians
  - \$8.4 million from MDH by altering allowable uses for funds otherwise required for HBCU settlement funds in FY27
  - \$5 million from the Department of Social and Economic Mobility (DoSEM) by altering allowable uses of the Cannabis Business Assistance Fund to include operations of DoSEM for FY27 through FY29
  - \$3 million from BPW by expanding allowable uses of the SEIF to include Chesapeake Conservation and Climate Corps for FY26 and FY27

#### Notable and COM-relevant provisions include:

- **Short-term rental intermediaries delay:** In 2025, Senate Bill 979 centralized hotel rental tax collection for short-term rental intermediaries such as Airbnb and Vrbo under the Comptroller. Given the complexity of collecting and distributing hotel rental tax revenue across multiple local jurisdictions with differing rules, COM requested a delay of the bill's effective date to July 1, 2028, which was included in the BRFA. COM is continuing to work with Airbnb, MACo, and other stakeholders to further standardize the process in future years.
- **Pass-Through Entity (PTE) changes:** The 2025 BRFA modified the income tax apportionment of PTE income with respect to resident members such that each resident member's distributive or pro rata share is fully apportioned to Maryland. Ahead of session, a number of S-Corps raised concerns that the BRFA language would either exclude them from the SALT cap workaround or jeopardize



their federal status as an S-Corp. COM worked closely with businesses and MACPA to develop language that allows PTEs to choose how they apportion income, while also delaying implementation by a year (now applying to taxable years after December 31, 2026) and requiring COM to study the impact of the PTE change.

- DAGR interest limitation: There is ongoing litigation regarding the digital advertising gross revenues tax (DAGR) across multiple venues.<sup>1</sup> To minimize the State's potential fiscal exposure, the legislature included language in the BRFA to cap interest rates in advance of any future litigation.
- Electric cooperative capital credits: In 2025, the Maryland General Assembly passed Senate Bill 561, which excluded capital credits held by an electric cooperative from the definition of abandoned property. The bill was silent on whether this exclusion was retroactive or prospective. To address this issue, the Conference Committee added language clarifying that 2025 SB561 only applies prospectively and does not have any effect on the escheatment of capital credits before October 1, 2025.

## 5. KEY THEMES & LEGISLATION

### Immigration

**Immigration Enforcement Agreements 287(g) Ban (SB245/HB444):** The legislature passed the Immigration Enforcement Agreements 287(g) Ban as emergency legislation, and Governor Wes Moore signed it on February 17, 2026. The law prohibited Maryland state and local jurisdictions from entering into or maintaining 287(g) agreements with U.S. Immigration and Customs Enforcement, a program under which local law enforcement could be deputized to perform federal civil immigration enforcement. The law took effect immediately and mandated that jurisdictions terminate existing agreements within 90 days. While the legislation did not interfere with cooperation on criminal investigations or the transfer of violent offenders to ICE, it drew a firm line by preventing local jurisdictions from serving civil immigration enforcement functions. Comptroller Lierman testified at both the House and Senate hearings in support of this legislation. **Result:** Passed.

**Community Trust Act (SB 791/HB 1575):** The Community Trust Act prohibited Maryland state and local correctional and law enforcement facilities from honoring ICE detainer requests—or notifying federal authorities of individuals' release dates—unless a federal judicial warrant accompanied the request. It also banned transfers to ICE custody absent a court order, effectively closing a loophole that allowed detention solely on the basis of immigration status. The Senate passed the bill on April 10, and the House approved it on Saturday, April 12, by a vote of 92–37. **Result:** Passed.

**Data Privacy Act (HB711/SB 504):** The Data Privacy Act prohibited businesses from knowingly selling consumer personal data for use in immigration enforcement, required public records custodians to prevent unauthorized inspection for that purpose, and mandated that operators of message-switching systems control access accordingly. It directed the Motor Vehicle Administration, Maryland State Police, and the Department of Public Safety and Correctional Services to adopt regulations ensuring compliance. The House passed HB 711 by a vote of 94–35 on March 21, 2026. On Sine Die, SB 504 passed on third reader and went to the Governor's desk. Comptroller Lierman provided written testimony for the Senate bill. **Result:** Passed.

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<sup>1</sup> [Judge strikes down provision of digital ad tax as First Amendment violation - Maryland Matters](#)



## Economic, Community, and Workforce Development

### Housing Growth and Affordability Agenda:

Governor Wes Moore (D) introduced a three-bill housing package for the 2026 legislative session aimed at addressing Maryland's estimated 100,000-unit housing shortage. The Comptroller testified on both the Maryland Transit & Housing Opportunity Act and Housing Certainty Act. The package included:

- **Maryland Transit & Housing Opportunity Act ([SB389/HB894](#)):** This bill eliminated minimum parking requirements near transit stations and unlocked over 300 acres of state-owned land for development. Both the House and Senate passed the bill. **Result:** Passed.
- **Starter and Silver Homes Act ([SB36/HB239](#)):** This bill allowed smaller single-family homes on smaller lots and townhouses in residential areas statewide. The bill did not leave the Senate committee. **Result:** Did not pass.
- **Housing Certainty Act ([SB325/HB548](#))** This bill granted developers vesting rights that protect approved projects from subsequent regulatory changes. Both the House and Senate passed the bill. **Result:** Passed.

**DECADE Act ([SB388/HB898](#))** Governor Moore introduced the Delivering Economic Competitiveness and Advancing Development Efforts (DECADE) Act as part of his 2026 economic growth agenda. The legislation renamed the Economic Development Opportunities Program Account to the Strategic Closing Fund and relocated the fund to the Department of Commerce. It also made alterations to the Film Production Activity Tax Credit and restructured the administration of RISE Zones. Finally, the bill created an exemption to the sales and use tax for digital and IT services for sales between members of an affiliated group. **Result:** Passed.

**Fraud Prevention, Prevailing Wage, and Living Wage - Prohibitions, Penalties, and Enforcement ([SB60/HB299](#)):** This bill aimed to strengthen Maryland's ability to combat workplace fraud by banning false records or statements that underpaid unemployment insurance contributions. Comptroller Lierman testified in support, emphasizing the Office's critical role in the Joint Enforcement Task Force on Workplace Fraud and highlighting its withholding tax audit efforts that identified thousands of misclassified workers and recovered over \$3.6 million in FY 2025. The bill passed in the House but ran out of time in the Senate. **Result:** Did not pass.

## Energy

**Reducing Energy Load Inflation for Everyday Families ([HB 1532](#)):** Rising energy costs emerged as the dominant issue of the 2026 session. In response, Governor Moore, Speaker Peña-Melnyk, and Senate President Ferguson jointly unveiled the Utility RELIEF (Reducing Energy Load Inflation for Everyday Families) Act on March 13. The legislation promised at least \$150 in annual savings per household by deploying more than \$200 million from the Strategic Energy Investment Fund, temporarily reducing the EmPOWER energy efficiency surcharge, restricting utility ratemaking practices, incentivizing new renewable generation, and imposing guardrails on data centers. **Result:** Passed.

## Elections

**Congressional Redistricting ([HB488](#)):** Congressional redistricting ranked as a top priority for Governor Moore and Speaker Peña-Melnyk, who sought to redraw the state's eight congressional districts as part of a national mid-decade redistricting push ahead of the 2026 midterms. The House passed HB 488 on February 2 by a vote of 99–37. The bill faced opposition in the Senate and was not brought to a vote. **Result:** Did not pass.

## State Agency Oversight

The Joint Audit and Evaluation Committee introduced several pieces of legislation that sought to increase oversight of state agencies and reduce repeat audit findings. Two of these bills focused on financial compliance and the use of State and federal dollars.

- [SB859/HB1422](#) created a framework for State fiscal leadership to develop qualifications and stan-



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dards for agency CFOs and introduced a requirement that agencies must report to the Board of Public Works and the Joint Audit and Evaluation Committee if they choose not to pursue liquidated damages.

**Result:** Passed.

- [SB858/HB1369](#) codified the establishment of the Audit and Finance Compliance Unit (AFCU) under the Department of Budget and Management and required the AFCU to provide direct assistance to units with four or more repeat audit findings. **Result:** Passed.

### NOTABLE COM ISSUES

**Multiple Points of Use (MPU) Certificates ([HB933/SB644](#)):** A provision in the 2025 BRFA established a process for businesses to obtain MPU certificates for purchases of digital or IT services that are used both in and out of Maryland. An MPU certificate allows the business to pay use tax based on the apportionment of their Maryland usage, rather than paying sales tax on the transaction. Since its July 2025 implementation, some of Maryland's largest businesses raised concerns that obtaining a certificate for each transaction was overly burdensome. COM worked closely with stakeholders and bill sponsors to develop a new process under which authorized buyers could issue blanket MPU certificates to vendors, and these recommendations were adopted into the bill. **Result:** Passed.

**Board of Public Works (BPW) Authority:** Multiple bills were introduced that would have altered the authority of the Board of Public Works (BPW) and its ability to review and approve some of the State's largest capital expenditures. COM strongly advocated for the retention of BPW authority, arguing that it was an essential component of fiscal oversight and ensured compliance with procurement requirements such as minority business participation.

- [HB587](#) removed the provision that exempted capital expenditures for roads, bridges, and highways from BPW review for contracts valued at \$5 million or more. COM testified in support of HB587 and worked closely with both advocates and opponents. HB587 passed in the House but was converted to a study in the Senate. **Result:** Passed with the Senate amendments.
- [HB1081/SB947](#), the Maryland Transit Administration Reform Act, included language that would have exempted MTA fixed guideway projects from coming before the BPW. After concerted advocacy from COM and other parties, the sponsors removed the procurement exemptions from the bill. **Result:** Passed as amended.
- [SB116/HB1161](#) required State agencies to include climate and sustainability information on certain contracts being brought before the BPW. Comptroller Lierman testified in support of SB116 and worked with the Governor's office to establish climate and sustainability requirements via regulation, prompting the sponsors to withdraw the bills. **Result:** Withdrawn.

**Whistleblower Reward Program ([SB766 / HB1197](#)):** Senator Zucker and Delegate Palakovich Carr introduced bills that would expand the Whistleblower Reward Program to explicitly include state taxes that are not administered by COM. COM worked closely with bill sponsors to add clarifying amendments to the bill that will support the administration of the Whistleblower Reward Program. The bill passed in the Senate, and the bill sponsors were amenable to COM's suggestion. However, the bill ran out of time in the House and did not move forward. **Result:** Did not pass.

**Penny Elimination ([SB893](#)):** Following the 2025 announcement that the US government would no longer mint new pennies, businesses across the country have been seeking guidance on handling cash transactions. SB893 provided a consistent framework for rounding cash transactions, allowing businesses the option of rounding all cash transactions to the nearest nickel. COM worked with committees to clarify that the rounding must occur post-tax and to update the definition of taxable price. **Result:** Passed.

**Offer-In-Compromise Program Changes ([HB1149](#)):** During the interim, COM attended a legislative work session of the Maryland Society of Accounting and Tax Professionals (MSATP), where an MSATP member proposed eliminating the two-year waiting period for the Offer-In-Compromise (OIC) Program. This proposal



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was taken up by Delegates Caylin Young and Kevin Hornberger, who were also in attendance. COM worked with the bill sponsors and MSATP to amend the bill to apply to businesses that were no longer in operation, thereby providing COM with an opportunity to assess the impact of such a change. **Result:** Passed as amended.

**Certified Public Accountant Licensure Qualifications (SB34/HB634):** Senators Ellis and Feldman, both certified public accountants, introduced SB34, which was supported by both MSATP and MACPA. SB34 (and its House cross-file) established three pathways for CPA licensure: the existing 150-credit-hour pathway with one year of experience, a master's degree pathway with one year of experience, or a bachelor's degree with a defined accounting or business concentration paired with two years of relevant experience. **Result:** Passed.

**DC Firefighter Bill (SB271/HB528):** Senate Bill 271 expanded eligibility for a subtraction modification related to retirement income for public safety employees to apply to retired District of Columbia firefighters. The bill did not leave committee. **Result:** Did not pass.

**Delinquent Federal Funds (SB828/HB706):** To address situations in which the federal government failed to release congressionally approved funds for Maryland, even in violation of federal court orders, Senator Katie Fry Hester and Delegate David Moon introduced legislation that established a procedure for the State to begin collecting delinquent federal funds. Under the bill, following a vote by the members of the BPW, certain delinquent federal funds could be forwarded to the Central Collection Unit (CCU) for collection. The bill also established certain methods by which CCU could collect delinquent federal funds, including placing liens on federal property located in Maryland. **Result:** Passed.

**Maryland's Future Board (SB770/HB1473):** President Ferguson and Speaker Peña-Melnyk brought forth legislation establishing Maryland's Future Board, an independent board tasked with developing and executing long-term, forward-thinking strategies to strengthen Maryland's economy and move the State forward. In addition to being named to the Board, the Comptroller was tasked with leading an initial study examining the social and economic factors expected to change significantly over the next decade. The Comptroller testified in support of the bill alongside the Senate President. **Result:** Passed.

### PENSIONS

The Joint Committee on Pensions introduced several bills aimed at improving clarity, consistency, and functionality across Maryland's retirement system. These bills were based on recommendations by the State Retirement and Pension System (SRPS) Board, of which the Comptroller serves as Vice-Chair.

- [HB399/SB338](#) extended the deadline for the Transfers Between Systems Workgroup to October 1, 2026, to allow for more comprehensive recommendations. **Result:** Passed.
- [HB678/SB337](#) clarified eligibility requirements for the Correctional Officers' Retirement System (CORS) by mandating participation for certain Maryland Department of Health roles beginning July 1, 2026. **Result:** Passed.
- [HB1139/SB734](#) established a workaround to calculate the 2025 CPI for cost-of-living adjustments due to missing federal data. **Result:** Passed.

Additionally, several bills that were not recommended by SRPS or the Joint Committee on Pensions also made changes to the State retirement system:

- [HB789/SB491](#) authorized certain State Police helicopter pilots to claim military service credit. **Result:** Passed.
- [HB1194/SB710](#) exempted reemployed CORS retirees serving as bailiffs from earning limits. **Result:** Passed.
- [SB647](#) created a new catastrophic line-of-duty disability benefit for Law Enforcement Officers' Pension System (LEOPS) members. **Result:** Passed.



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- [HB744/HB614](#) required membership in CORS for certain local detention center officers in Dorchester County who join the system. **Result:** Passed.
- [HB872](#) required LEOPS membership for certain local law enforcement officers of the Seat Pleasant Police Department who joined the system. **Result:** Passed.
- [HB1102/SB748](#) required that certain Allegany County local detention center officers join CORS if they join the system. **Result:** Passed.

### ADDITIONAL PASSED BILLS WITH COM IMPACT

In addition to the above, the following bills have passed and been sent to the Governor's desk and have an impact on the agency and its operations:

- [SB607 / HB653](#) - Subtraction Modification – Public Safety Retirement Income – Increased the amount of the public safety retirement income subtraction to \$20,000 over a period of five years.
- [SB961 / HB175](#) - Income Tax Credit – Venison Donation – Alterations – Increased the credit for venison donations from \$300 to \$600, effective TY2026.
- [SB148 / HB13](#) - Income Tax - Credit for 9-1-1 Specialist Retirement Income (Supporting Our 9-1-1 Specialists Act) – Established a tax credit in the amount of 4.75% of the first \$15,000 of a 911 specialist's retirement income. Under the bill, eligible retirees must be certified by MDEM.
- [SB193](#) - Washington County - Sales and Use Tax Exemption - Target Redevelopment Area – Created a limited sales and use tax exemption for construction materials and warehousing in certain redevelopment areas of Washington County.
- [SB163 / HB694](#) - Income Tax - Addition Modification for Federal Tax-Exempt Income – Study – Required COM to study and report to the General Assembly regarding the number of residents claiming foreign earned income and the aggregate amount of that income.
- [SB309 / HB500](#) - Sales and Use Tax – Precious Metal Bullion or Coins – Exemption – Exempted sales of over \$1,000 of precious metal bullion or coins from sales and use tax, repealing the provision from last year's BRFA that restricted that exemption to sales occurring at the Baltimore City Convention Center.
- [SB262 / HB478](#) - Income Tax – Subtraction Modification for Classroom Supplies Purchased by Teachers – Alteration – Expanded the existing subtraction modification for classroom supplies purchased by teachers to include teachers in public pre-K programs.
- [SB403 / HB358](#) - Sales and Use Tax - Elementary or Secondary School Book Fairs – Exemption – Exempted sales made at an elementary or secondary school book fair from sales and use tax.
- [SB440 / HB472](#) - Income Tax – Theatrical Production Tax Credit – Sunset Exemption – Extended the sunset of the theatrical production tax credit to 2032.
- [SB376 / HB470](#) - Digital Asset and Blockchain Technology Task Force – Establishment – Established the Digital Asset and Blockchain Technology Task Force, of which the Comptroller or her designee is a member.
- [SB468 / HB363](#) - Local Government - Grant for Recipients of State Child Tax Credit – Authorization – Authorized local governments to provide grants to recipients of the state child tax credit.
- [HB1279](#) - Catalytic Revitalization Project Tax Credit – Alterations – Expanded the Catalytic Revitalization Project Tax Credit to include applications promoting workforce housing.
- [HB547](#) - Income Tax - Enhanced Agricultural Management Equipment Subtraction Modification and Parent of a Stillborn Child Credit – Required the Secretary of Agriculture to report annually on recommended equipment that qualifies for the enhanced agricultural management equipment subtraction modification, and created a \$1,000 refundable tax credit for parents of stillborn children.



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- [HB1142](#) – Task Force to Modernize County and Municipal Revenue Structures - Established a Task Force to Modernize County and Municipal Revenue Structures to study and evaluate the revenue structure of the county and municipal governments within the State. The Comptroller or her designee will serve as a member of the task force.
- [SB519 / HB735](#) – Earned Income Tax Credit - Assistance Program Implementation Delay and Study – Delayed the “short form” provisions for retroactive claiming of the EITC until 2030 and required the Comptroller to conduct a study regarding EITC availability and outreach.
- [SB805 / HB1297](#) – Income Tax - Student Loan Debt Relief Tax Credit – Alterations – Altered the recapture provisions of the student loan debt relief tax credit and extended the period under which an individual may demonstrate eligibility to MHEC.
- [SB704](#) - Maryland Estate Tax – Qualified Agricultural Property – Transfer to Limited Liability Company – Authorized transfer of ownership of qualified agricultural property to an LLC for the purposes of estate tax.
- [HB1554](#) - Sales and Use Tax - Electricity for Agriculture Purposes - Study and Report – Required the Comptroller to study and report the potential impact of exempting electricity for agricultural purposes from sales and use tax.

### PASSED BILLS THAT IMPACT STATE EMPLOYEES

While not specific to COM, the following bills affect all State employees, and have passed and been sent to the Governor’s desk:

- [SB831 / HB1480](#) – Labor Laws – Child Labor Penalties, Private Sector Employee Labor Relations, and State Employee Labor Standards – In addition to changes regarding child labor laws and private sector employment, SB831/HB1480 established that units in the Executive Branch of State government may not petition or apply to the federal government for a waiver of any provision of the Fair Labor Standards Act.
- [SB880 / HB1248](#) – Workgroup for an Inclusive State Workplace – Established – Established a workgroup to create a strategy and implementation plan for creating more inclusive State employment opportunities for caregivers, people with disabilities, older adults, and other individuals who are challenged by the traditional full-time employment structure. The Comptroller or her designee will serve as a member of the workgroup.
- [SB28 / HB604](#) – Arbitration Reform for State Employees Act of 2026 – Altered the collective bargaining process for State employees by requiring a neutral arbitrator to oversee certain aspects of collective bargaining and requiring the Governor to include in the Budget Bill appropriations necessary to implement terms and conditions of employment.

### NEXT STEPS

Now that the 2026 General Assembly session has concluded, the Governor’s legislative office and the Attorney General’s Office will begin the process of reviewing the bills passed by the Maryland General Assembly.

During the 9-month interim, the Government Affairs Team will take a much-needed break and then hit the ground running, collaborating with agency directors and staff to implement the legislative changes passed during the 2026 legislative session. Simultaneously, preparing for the upcoming 2027 legislative session, including:

- Meet stakeholders, elected officials, and advocates regarding local legislative priorities.
- Monitor federal and local government legislative priorities that may impact the agency.



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- Continue to work with division leadership to ensure that legislation related to the agency is implemented efficiently.

### ACKNOWLEDGMENTS

As always, thank you all for your continued support. The Government Affairs team depends greatly on the leadership and subject-matter expertise across the agency, and we are sincerely grateful to everyone who generously contributed their time.

Special recognition goes to the teams in Legal, the Information Technology Division, Revenue Administration, Compass, Compliance, and others for their partnership throughout the legislative session—and for patiently responding to the hundreds of emails we sent. Your dedication, hard work, and commitment to protecting the agency’s interests are not unnoticed. With your support, we look forward to another productive and successful session next year.



**Brooke E. Lierman** Comptroller of Maryland

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