

# Q2 BOARD OF PUBLIC WORKS QUARTER 2 | 2025 SUMMARY



Brooke E. Lierman  
Comptroller of Maryland

## BY THE NUMBERS

The BPW met five times during Q2 2025 and took the following actions:

**518**

total items approved

**125 → \$1.36 billion**

new contracts

state expenditures

**\$3.3  
billion**

total state expenditures

**393 → \$1.9 billion**

modifications, renewals,  
grants, settlements

state expenditures

**47**

new prime  
contracts to certified  
small businesses

**\$511.4 million**

The **Small Business Reserve Program** sets a 20% annual goal for all state procurement expenditures with certified small businesses.

**31**

new prime  
contracts to MBEs

**\$258.3 million**

**55**

new contracts with  
MBE goals

**20%**

average MBE subcontracting  
goal for new contracts

The **Minority Business Enterprise (MBE) Program** sets a 29% annual goal for state procurement expenditures with certified MBEs as prime or subcontractors.

The BPW consists of Governor Wes Moore, Treasurer Dereck Davis and Comptroller Brooke Lierman. The Board meets every two weeks and is responsible for approving most contracts over \$200,000, overseeing the issuance of bonds, acquiring and transferring state property, approving wetlands licenses and place-based investing programs (see below).

# PLACE-BASED INVESTMENT PROGRAMS

## Capital Grants & Loans

provides funding to local governments and nonprofits for projects such as community centers, health facilities, museums, and affordable housing.

In Q2 2025, the BPW approved **\$120.6 million** for **98 projects**.

## Program Open Space

preserves natural areas for public use and to protect watersheds and wildlife through land acquisition and conservation easements.

In Q2 2025, the BPW approved **\$36.1 million** for **71 projects**.

## Greenspace Equity Program

provides grants to enhance the public health and livability of underserved and overburden communities through the preservation, creation, or improvement of greenspace.

In Q2 2025, the BPW approved **\$4.3 million** for **20 projects**.

**Local Parks and Playgrounds Infrastructure Program**  
restores and creates parks and green space systems.

In Q2 2025, the BPW approved **\$3.9 million** for **11 projects**.

## Rural Legacy Program

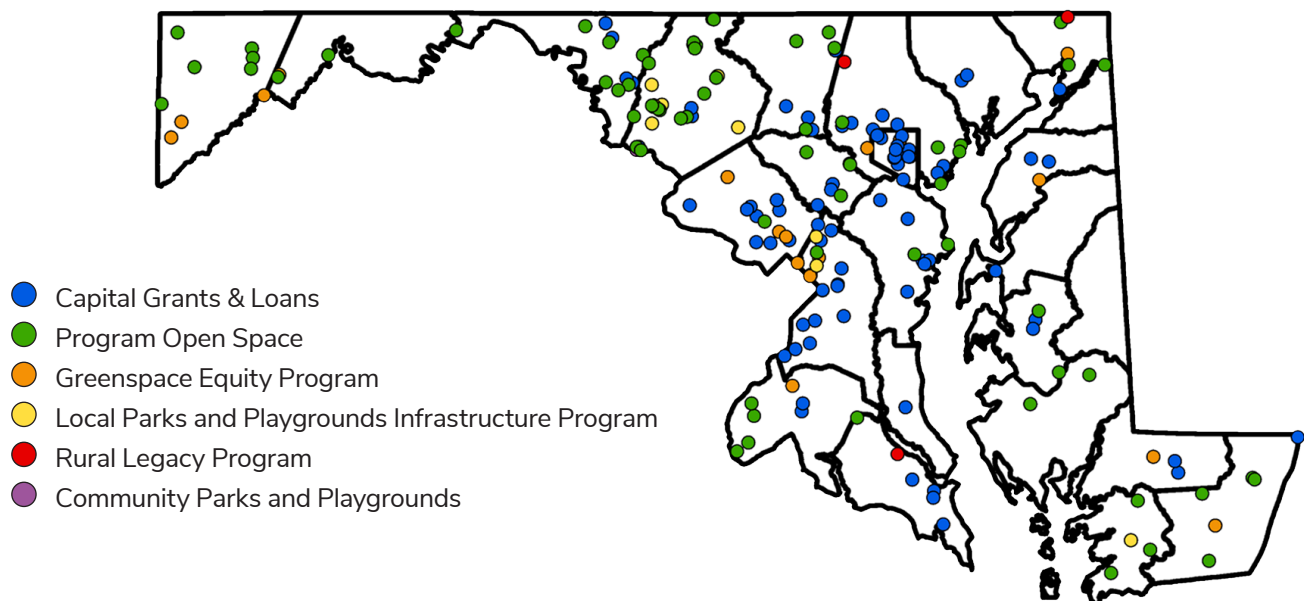
preserves large, contiguous tracts of land to enhance natural resources, agricultural, forestry and environmental protection.

In Q2 2025, the BPW approved **\$763,000** for **3 projects (197 acres)**.

## Community Parks and Playgrounds

provides funding to Maryland's cities and towns to rehabilitate and build parks and playgrounds.

In Q2 2025, the BPW approved **\$220,000** for **1 project**.



# BPW AT WORK

## The State's Real Estate

The State of Maryland's real estate portfolio is comprised of owned and leased facilities that include offices, parking garages, police barracks, courthouses, multiservice centers, nursing homes, and hospitals. **BPW approval is required for the purchase, sale, or leasing of properties by state agencies.**

Before a proposal to **purchase, sell, or transfer property** is brought before the BPW, state law requires that the Department of General Services (DGS) or the Department of Planning obtain two independent appraisals of the property and provide this information, along with a justification for the proposed purchase, sale, or transfer, to the Senate Budget and Taxation Committee, the House Appropriations Committee, and the Legislative Policy Committee. For proposals to acquire real property with an appraised value of at least \$500,000, additional steps are required before BPW approval is permitted.

On the **leasing** side, DGS's Office of Real Estate negotiates and prepares lease agreements between most state agencies and commercial & governmental landlords before they are brought to the BPW for approval.

Last quarter, the BPW approved 18 items leases and one purchase, including:

- The relocation of one of the Comptroller's 11 branch offices, which provide in-person and virtual assistance to taxpayers, from Elkton to a more accessible location for staff and residents in Bel Air. The new 10-year lease, including one, five-year renewal option, commenced on July 1 with annual rent set at \$63,600 along with a 3.3% annual escalator.
- The relocation of the Maryland Department of Health (MDH) headquarters from State Center to a leased 1.1 million square foot campus in West Baltimore formerly occupied by the Social Security Administration (from 1980 to 2014).

- The University of Maryland College Park's acquisition of a three-story, 150,898 square foot office building on seven acres in Riverdale (Prince George's County), at the easternmost part of the University's Discovery District. The property will support the University's quantum computing activities.

Once acquired, DGS is responsible for supporting the operation and maintenance of **State-owned facilities** on behalf of most state agencies, as well as managing all state leases.

### Reexamining State-Owned Property

In an effort to save taxpayers money and adapt to the needs of the modern workforce, the Moore-Miller administration has charged DGS with evaluating existing state-owned property and determining optimal courses of actions, such as renovation, consolidation, relocation, reconfiguration, or sale of facilities.

DGS began their analysis with nine state-owned buildings in Baltimore City. Their findings prompted the state to consolidate and relocate several agencies from state-owned facilities in need of costly renovation to leased space - led largely by the relocation of agencies at State Center in Baltimore City to the Central Business District. The Administration expects this exercise to yield an estimated [\\$326 million](#) in savings to the state over the next 20-25 years.

# POLICY CORNER

## Federal Funding in State Procurement

A recent report released by the Comptroller and University of Maryland Smith School of Business titled “[Impact of Federal Government Spending and Jobs on the Maryland Economy](#)” found that Maryland governments and organizations received over \$30 billion in grants from the federal government in federal fiscal year 2024. A majority of these grants go to state agencies.

Federal grants that flow to state agencies fund vital state programs like education, transportation, healthcare, and public safety, and in many cases support the state in procuring goods and services that come before the BPW.

### Discretionary Funding vs Formula-Based (Mandatory) Funding

Several types of federal grant vehicles direct money to Maryland agencies, including discretionary grants, block grants, and mandatory grants.

Discretionary grants are obtained through a competitive process. The funding to support these awards must be allocated in the federal budget set by Congress through the annual appropriations process. Discretionary funding is not set by any pre-fixed formula or entitlement law, rather it is determined each fiscal year; it can be increased, decreased, or eliminated based on policy priorities in any given year. Therefore, these are often one-time funding opportunities.

On the other hand, block grants or mandatory grants are awarded automatically as long as a recipient (in this case, the state of Maryland or a locality) meets eligibility criteria outlined in federal law. The award amount is typically based on a pre-determined mathematical formula that considers factors such as population size and income levels in a given area.

Programs like Medicare and Medicaid are

funded by these “formula grants” each year—they do not require annual appropriations; federal funding levels are adjusted automatically based on who meets eligibility criteria.

### Contract Examples

**Discretionary federal funding:** Last quarter, the Board approved a request from the Maryland Aviation Administration (MAA) to award S&L Specialty Contracting, Inc. (Syracuse, NY) a \$5.5 million contract to [provide sound insulation treatments](#) for up to 203 multi-family residential dwelling units located in five buildings in Glen Burnie. The insulation mitigates noise associated with the nearby Baltimore/Washington International Thurgood Marshall Airport (BWI). Funding for the Residential Sound Insulation Program at BWI was supported in part by a grant from the Federal Aviation Administration (FAA) to the MAA. According to FAA, set-aside projects – such as airport noise – receive first attention from a discretionary distribution.

**Formula-based federal funding:** The Board approved a request from the State Highway Administration (SHA) to award McCormick Taylor, Inc./ Pennoni Associates Inc. [JV] (Baltimore, MD) and Stantec Consulting Services, Inc./AECOM Technical Services, Inc. [JV] (Laurel, MD) the final two of ten work-order based contracts to provide construction management & inspection services, statewide. The five-year contracts were awarded at a combined, not-to-exceed cost of \$40 million (\$20 million each). The contracts were funded by a 80-20 federal/state split. Funding flows from the Federal Highway Administration to the SHA and then the contractors.

In the two most recent years, federal grants have represented about 30% of revenue for the state’s operating budget. Impending cuts to federal grants, most notably Medicaid and Supplemental Nutrition Assistance will significantly decrease this revenue stream in the coming years.

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