



**Maryland**

DEPARTMENT OF BUDGET  
AND MANAGEMENT

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HELENE GRADY  
*Secretary*

ARUNA MILLER  
*Lieutenant Governor*

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*Deputy Secretary*

## **SENATE BILL 430 Community Health and Safety Works Grant Program and Fund - Establishment**

### **STATEMENT OF INFORMATION**

**DATE: January 30, 2024**

**COMMITTEE: Senate Budget and Taxation**

**SUMMARY OF BILL:** Senate Bill 874 establishes the Community Health and Safety Works Grant Program which would provide funding for projects that improve the quality of life or increase the economic potential of the communities through crime prevention strategies. The Department of Housing and Community Development (DHCD) would administer the program. The bill also creates a fund, the Community Health and Safety Works Grant Program Fund, to support the cost of the program. Additionally, the bill establishes a \$10 million mandate annually to the fund and allows the fund to retain all interest earned rather than reverting to the General Fund.

**EXPLANATION:** Senate Bill 874 establishes a new program to be administered by the DHCD. This program is supported by an accompanying special fund. That fund would have a mandated annual appropriation of \$10 million in perpetuity and be permitted to retain any interest earned on the fund. This would annually reduce General Funds available for other purposes and eliminate revenue to the General Fund from the interest earned.

The Department of Budget and Management (DBM) is charged with submitting a balanced budget to the General Assembly annually and will be working with the General Assembly to achieve structural balance over the long-term. In light of current projected general fund deficits in fiscal 2026 forward, the Department urges caution in passing legislation significantly reducing general fund revenues. State government must be intentional, disciplined, and strategic with its allocation of State funding to ensure maximum impact toward priority outcomes.

It would be challenging for the State to manage this new mandated funding given the forecasted out-year deficits for the General Fund.

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