

Department of Legislative Services
 Maryland General Assembly
 2025 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 880 (Senator Guzzone)
 Budget and Taxation

Governor's Office for Children - Boys and Girls Clubs of Maryland - Grant Funding

This bill requires the Governor to include \$5.0 million in the annual budget bill for the Governor’s Office for Children (GOC) to provide grants to fund operating expenses of the Boys & Girls Clubs of Maryland, beginning in fiscal 2027. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: No effect in FY 2026. General fund expenditures increase by \$5.0 million annually beginning in FY 2027, consistent with the bill’s mandated funding requirement. Revenues are not affected. **This bill establishes a mandated appropriation beginning in FY 2027.**

(in dollars)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	5,000,000	5,000,000	5,000,000	5,000,000
Net Effect	\$0	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: GOC provides a coordinated, comprehensive, interagency approach to (1) promoting the wellbeing of children and families through a network of supports,

programs, and services that are family- and child-oriented and (2) reducing the number of children living in poverty. Led by a Special Secretary, GOC activities include staffing the Children’s Cabinet; administering the Children’s Cabinet Interagency Fund; administering the Engaging Neighborhoods, Organizations, Unions, Governments, and Households program and fund; providing technical assistance to local management boards; improving community health and safety with its partners; and measuring results for child wellbeing.

State Fiscal Effect: The fiscal 2025 budget as passed by the General Assembly included approximately \$1.7 million to fund certain Boys & Girls Clubs in Maryland; specifically, the budget included \$1.5 million for the Boys & Girls Clubs of Metropolitan Baltimore and \$150,000 for the Boys & Girls Club of Southern Maryland. The fiscal 2026 budget as introduced does not include funding for Boys & Girls Clubs in the State.

General fund expenditures increase by \$5.0 million annually beginning in fiscal 2027, reflecting the mandated appropriation for GOC to provide grants to fund operating expenses of the Boys & Girls Clubs of Maryland. GOC advises that it requires additional staff to oversee the grants provided to Boys & Girls Clubs; accordingly, this analysis reflects a small portion of the mandated funding being used to cover GOC’s administrative costs in providing grants. Despite the bill’s July 1, 2025 effective date, it is assumed that GOC does not require additional staff until grant funding is made available via the bill’s mandated appropriation beginning in fiscal 2027. The estimate assumes that one part-time community initiatives manager is hired to begin July 1, 2026, to oversee grants provided to Boys & Girls Clubs and, although not specifically required by the bill, to implement standard reporting and monitoring requirements for the grant program.

Position	0.5
Salary and Fringe Benefits	\$60,325
Grant Funds	4,932,577
Operating Expenses	<u>7,098</u>
Total FY 2027 State Expenditures	\$5,000,000

Future year expenditures reflect a full salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses; as administrative costs increase, slightly less funding is available for grants each year.

Additional Comments: Founded in 1906, Boys & Girls Clubs of America aim to enable all young people to reach their full potential as productive, caring, responsible citizens. There are 16 Boys & Girls Clubs in Maryland.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Governor's Office; Department of Budget and Management; Department of Legislative Services

Fiscal Note History: First Reader - February 24, 2025
js/jkb

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