

Chapter 764

(Senate Bill 668)

AN ACT concerning

Children’s Cabinet Fund – Renaming and Funding for Grants to Local Management Boards

FOR the purpose of renaming the Children’s Cabinet Fund to be the Children’s Cabinet Interagency Fund; requiring the Governor, in certain fiscal years, to include an appropriation in the annual budget bill to the Children’s Cabinet Interagency Fund to be used for grants to local management boards; and generally relating to the renaming of the Children’s Cabinet Fund and funding for grants to local management boards.

BY repealing and reenacting, with amendments,
Article – Education
Section 8–417(b)(1)
Annotated Code of Maryland
(2022 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, with amendments,
Article – Health – General
Section 15–139(c)(1)
Annotated Code of Maryland
(2023 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, with amendments,
Article – Human Services
Section 8–501 through 8–503 to be under the amended subtitle “Subtitle 5.
Children’s Cabinet Interagency Fund”
Annotated Code of Maryland
(2019 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, without amendments,
Article – Human Services
Section 8–504 through 8–506 and 8–508
Annotated Code of Maryland
(2019 Replacement Volume and 2025 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Education

8–417.

(b) (1) The Department, in collaboration with the fiscal agent of the Children’s Cabinet **INTERAGENCY** Fund under Title 8, Subtitle 5 of the Human Services Article, shall administer and implement a redesigned rate setting process for nonpublic general education schools, residential child care programs, and nonresidential child care programs.

Article – Health – General

15–139.

(c) (1) For each fiscal year, the Governor may provide funds in the budget for the Children’s Cabinet **INTERAGENCY** Fund established under Title 8, Subtitle 5 of the Human Services Article, to be used by the Children’s Cabinet to create an interagency pool of funds to provide services to children with disabilities.

Article – Human Services

Subtitle 5. Children’s Cabinet **INTERAGENCY** Fund.

8–501.

In this subtitle, “Fund” means the Children’s Cabinet **INTERAGENCY** Fund.

8–502.

There is a Children’s Cabinet **INTERAGENCY** Fund.

8–503.

(a) The Fund:

(1) consists of money appropriated, transferred, credited, or paid into the Fund from any source; and

(2) includes money for out-of-home care and services to prevent out-of-home placements.

(b) At the end of each fiscal year any unspent money in the Fund shall revert to the General Fund.

(c) (1) THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL THE FOLLOWING APPROPRIATIONS FOR THE FUND TO BE USED FOR GRANTS TO ELIGIBLE LOCAL MANAGEMENT BOARDS:

~~(I) FOR FISCAL YEAR 2028, \$3,000,000 \$1,000,000 ABOVE THE APPROPRIATION TO THE FUND IN FISCAL YEAR 2027;~~

~~(II) FOR FISCAL YEAR 2029, \$2,000,000 \$500,000 ABOVE THE APPROPRIATION TO THE FUND IN FISCAL YEAR 2028;~~

~~(III) FOR FISCAL YEAR 2030, \$2,000,000 \$500,000 ABOVE THE APPROPRIATION TO THE FUND IN FISCAL YEAR 2029; AND~~

~~(IV) FOR FISCAL YEARS 2028 THROUGH 2030, AN APPROPRIATION AT LEAST EQUAL TO THE APPROPRIATION TO THE FUND IN FISCAL YEAR 2027; AND~~

~~(II) FOR FISCAL YEAR 2031, \$2,000,000 \$500,000 ABOVE THE APPROPRIATION TO THE FUND IN FISCAL YEAR 2030.~~

(2) MONEY EXPENDED FROM THE FUND FOR GRANTS TO ELIGIBLE LOCAL MANAGEMENT BOARDS UNDER PARAGRAPH (1) OF THIS SUBSECTION IS SUPPLEMENTAL TO AND NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE EXPENDED FOR GRANTS TO ELIGIBLE LOCAL MANAGEMENT BOARDS.

8-504.

Expenditures from the Fund shall be made:

- (1) in accordance with the State Finance and Procurement Article; and
- (2) to reflect the priorities, policies, and procedures that the Children’s Cabinet adopts.

8-505.

(a) A local management board shall apply for money from the Fund in accordance with procedures established by the Children’s Cabinet.

(b) In connection with an application for money under subsection (a) of this section, a local management board shall develop and submit a community partnership agreement that:

- (1) reflects coordination with:
 - (i) the State’s 3-year plan for children, youth, and families; and

(ii) any local government plan for services for children, youth, and families, including the local substance abuse plan developed in accordance with Title 8, Subtitle 10 of the Health – General Article; and

(2) addresses the priorities and strategies of the county for meeting the identified needs of children and families as articulated in the local management board’s 5–year strategic plan regarding:

(i) youth development;

(ii) prevention services;

(iii) crisis and early intervention;

(iv) services for children at risk of out–of–home placement or returning from out–of–home placement; and

(v) out–of–home placement and treatment.

(c) The Children’s Cabinet may disburse money to a local management board subject to the terms, conditions, performance measures, or outcome evaluations that the Children’s Cabinet considers necessary.

(d) The local management board shall use the money to implement:

(1) a local interagency services delivery system for children, youth, and families in accordance with the community partnership agreement; and

(2) any terms, conditions, and performance measures that the Children’s Cabinet requires.

8–506.

(a) The State shall fund only evidence–based and promising home visiting programs for improving parent and child outcomes, as provided in the State budget.

(b) Not less than 75% of the State funding for home visiting programs shall be made available to evidence–based home visiting programs.

8–508.

The Governor’s Office for Children is the fiscal agent for the Fund.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2026.

Approved by the Governor, May 26, 2026.