

HELENE GRADY Secretary

MARC L. NICOLE Deputy Secretary

Senate Bill 359 Therapeutic Child Care Grant Program—Funding—Alterations

STATEMENT OF INFORMATION

DATE: January 29th

COMMITTEE: Budget and Taxation

SUMMARY OF BILL: Senate Bill 359 alters the fiscal years during which the Governor must include an annual appropriation of \$3.7 million to the Therapeutic Child Care Grant Program. The bill would extend the mandatory funding beyond fiscal years 2023-2025 to include fiscal year 2027 and each fiscal year thereafter.

POSITION: Statement of Information

The Administration acknowledges the critical services that the therapeutic centers provide and has included \$1.5 million in the FY 2026 budget to support continuity of operations for the Therapeutic Child Care Grant Program through MSDE. The bill would require a mandated appropriation of \$3.7 million annually beginning in FY 2027 and each fiscal year thereafter, and therefore the fiscal impact relative to the FY 2026 budget as proposed is \$2.2 million general funds. Of this amount, \$1,283,000 would go to existing providers maintaining FY 2022 levels, \$1,917,000 to existing providers for additional services, and \$500,000 to new providers or existing providers for enrolling additional children.

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. If this bill were to pass, we look forward to working with the General Assembly to identify a sustainable solution for the remainder of the mandated funding.

For additional information, contact Dana Phillips at (410) 260-6068 or <u>dana.phillips@maryland.gov</u>

45 Calvert Street • Annapolis, MD 21401-1907

Tel: 410-260-7041 • Fax: 410-974-2585 • Toll Free: 1-800-705-3493 • TTY Users: Call via Maryland Relay http://dbm.maryland.gov