WES MOORE Governor

ARUNA MILLER Lieutenant Governor



HELENE GRADY Secretary

MARC L. NICOLE Deputy Secretary

SENATE BILL 666 Maryland Community Action Agencies - Funding

STATEMENT OF INFORMATION

DATE: February 18th, 2025

COMMITTEE: Budget and Taxation Committee

SUMMARY OF BILL: SB 666 establishes a new general fund mandate under the Department of Housing and Community Development for operating grants to community action agencies in the State for the purpose of assisting local efforts to alleviate poverty. The mandate includes \$500,000 in FY 2027 and FY 2028, \$1M in FY 2029, \$3M in FY 2030, \$5M in FY 2031, and \$7M in FY 2032.

EXPLANATION: This funding initiative aligns with the Governor's Office of Children's mission to create poverty-fighting opportunities and the Governor's shared commitment to strengthening community-based poverty reduction efforts. In 2024, The Maryland General Assembly passed the ENOUGH Act and Maryland launched the the Engaging Neighborhoods, Organizations, Unions, Governments and Households (ENOUGH) Initiative, a first-of-its-kind state-led, place-based strategy to create poverty fighting opportunities driven by communities' lived experience and expertise, data and cross-sector partnerships. ENOUGH is surging resources into neighborhoods that have been disproportionately impacted by systems and policies that limit wealth creation and economic mobility. Community Action Agencies, whose mission is to provide quality services and opportunities that empower individuals and families to achieve economic security, are aligned with the ENOUGH Initiative and eligible to apply for and receive funding from the ENOUGH Act. In fact, two Community Action Agencies received ENOUGH Grants in FY25 and another two CAAs are members of ENOUGH community partnership tables. Given significant uncertainty regarding the federal budget and potential policy changes, as an alternative to a separate appropriation, Community Action Agencies could continue to engage through the ENOUGH initiative to further their mission and help maintain program stability.

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