

February 14, 2025

The Honorable Guy Guzzone
Chair, Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, Maryland 21401

Chairman Guzzone, Vice Chairman Rosapepe, and the Honorable members of the Budget and Taxation Committee.

On behalf of the Governor's Office for Children, thank you for the opportunity to submit this letter of information regarding Senate Bill 666 - Maryland Community Action Agencies - Funding.

Summary of Bill: SB0666 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 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, Community Action Agencies could engage in the ENOUGH initiative to further their mission and help maintain program stability.

Thank you for the opportunity to submit this letter, and the Governor's Office for Children appreciates your consideration of this information as you deliberate Senate Bill 666.

Sincerely,

Carmel Martin

Special Secretary, Governor's Office for Children & Senior Advisor to the Governor, Economic Mobility