

WES MOORE  
*Governor*

ARUNA MILLER  
*Lieutenant Governor*



YAAKOV "JAKE" WEISSMANN  
*Secretary*

MARC L. NICOLE  
*Deputy Secretary*

**TITLE: SB586 Community Eligibility Provisions Expansion Program Establishment**

**DATE: February 25th 2026**

**COMMITTEE: Budget and Taxation**

**POSITION: Letter of Concern**

**SUMMARY OF BILL:** The bill establishes a Community Eligibility Provision (CEP) Expansion Program that would be administered by the Maryland State Department of Education. The program would provide funding to eligible schools that participate in the federal CEP.

**EXPLANATION:** This legislation establishes a mandated appropriation, increasing general fund expenditures by \$10 million annually beginning in FY28, and specifies that the State, counties, and schools maximize the use of all available funds. This program requires the State to pay the difference between the federal paid reimbursement rate and the federal free reimbursement rate for schools that participate in the community eligibility provision of child nutrition programs.

Given the significant uncertainty in federal policy and the escalating fiscal shortfalls forecasted through Fiscal Year 2028, the Department urges caution against legislation that increases expenditures or diverts revenue without sustainable funding offsets. In light of the current fiscal crisis, the State must remain disciplined and strategic in its funding decisions to protect essential services for all Marylanders.

**For additional information, contact Dana Phillips at**

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# Maryland

DEPARTMENT OF BUDGET  
AND MANAGEMENT

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