

**Department of Legislative Services**  
 Maryland General Assembly  
 2026 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

Senate Bill 668 (Senators Harris and King)  
 Budget and Taxation

**Children's Cabinet Fund - Renaming and Funding for Grants to Local Management Boards**

This bill requires the Governor to include in the annual budget bill an appropriation to the Children’s Cabinet Interagency Fund (CCIF) of: (1) for fiscal 2028, \$3.0 million above the appropriation in fiscal 2027; (2) for fiscal 2029, \$2.0 million above the appropriation in fiscal 2028; (3) for fiscal 2030, \$2.0 million above the appropriation in fiscal 2029; and (4) for fiscal 2031, \$2.0 million above the appropriation in fiscal 2030. The mandated funds must be used for grants to eligible local management boards (LMBs) and are supplemental to funding that otherwise would be expended for such grants. The bill also renames the Children’s Cabinet Fund to be CCIF. **The bill takes effect July 1, 2026.**

**Fiscal Summary**

**State Effect:** No effect in FY 2027. General fund expenditures increase by \$3.0 million in FY 2028, increasing to \$9.0 million in FY 2031, to reflect the bill’s mandated appropriations to CCIF. **This bill establishes a mandated appropriation for FY 2028 through 2031.**

(\$ in millions)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	3.0	5.0	7.0	9.0
Net Effect	\$0.0	(\$3.0)	(\$5.0)	(\$7.0)	(\$9.0)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** Local revenues and expenditures increase by \$3.0 million in FY 2028, increasing to \$9.0 million in FY 2031, to reflect additional grant funding for LMBs.

**Small Business Effect:** None.

## Analysis

**Current Law:** The Governor's Office for Children (GOC) provides a coordinated, comprehensive, interagency approach to (1) promoting the well-being of children and families through a network of supports, programs, and services that are family- and child-oriented and (2) reducing the number of children living in poverty. Led by a Special Secretary, GOC activities include staffing the Children's Cabinet, administering CCIF, and providing technical assistance to LMBs.

CCIF consists of money appropriated, transferred, credited, or paid into the fund from any source and includes money for out-of-home care and services to prevent out-of-home placements. Expenditures from CCIF must be made to reflect the priorities, policies, and procedures that the Children's Cabinet adopts. Any unspent funds revert to the general fund.

LMBs must apply for funds from CCIF in accordance with procedures established by the Children's Cabinet and submit a specified community partnership agreement. The Children's Cabinet may disburse funds to LMBs subject to terms, conditions, performance measures, or outcome evaluations. LMBs must use the funds 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.

Each county must establish and maintain an LMB to ensure the implementation of a local interagency service delivery system for children, youth, and families. LMBs must: (1) strengthen the decision-making capacity at the local level; (2) design and implement strategies that achieve clearly defined results for children, youth, and families; (3) maintain standards of accountability for locally agreed upon results for children, youth, and families; (4) influence the allocation of resources across systems as necessary to accomplish the desired results; (5) build local partnerships to coordinate children, youth, and family services within the county to eliminate fragmentation and duplication of services; and (6) create an effective system of services, supports, and opportunities that improve outcomes for all children, youth, and families.

LMBs are generally funded through CCIF and the Engaging Neighborhoods, Organizations, Unions, Governments, and Households (ENOUGH) Grant Program.

**State Fiscal Effect:** Under the bill, the Governor must include in the annual budget bill an appropriation to CCIF of:

- for fiscal 2028, \$3.0 million above the appropriation in fiscal 2027;
- for fiscal 2029, \$2.0 million above the appropriation in fiscal 2028;

- for fiscal 2030, \$2.0 million above the appropriation in fiscal 2029; and
- for fiscal 2031, \$2.0 million above the appropriation in fiscal 2030.

To reflect the mandated appropriations in the bill, general fund expenditures to CCIF increase by (1) \$3.0 million in fiscal 2028; (2) \$5.0 million in fiscal 2029; (3) \$7.0 million in fiscal 2030; and (4) \$9.0 million in fiscal 2031.

The fiscal 2027 budget as introduced includes \$20.3 million for CCIF to support LMBs. The Department of Legislative advises that funding to CCIF is anticipated to continue at current levels through fiscal 2031. Therefore, under the bill, the following amount is available from CCIF for the Children’s Cabinet to make grants to LMBs: (1) \$23.3 million in fiscal 2028; (2) \$25.3 million in fiscal 2029; (3) \$27.3 million in fiscal 2030; and (4) \$29.3 million in fiscal 2031.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** HB 680 (Delegate Shetty, *et al.*) - Appropriations.

**Information Source(s):** Governor’s Office; Department of Budget and Management; Department of Legislative Services

**Fiscal Note History:** First Reader - February 22, 2026  
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