



**Fiscal Year 2026 Operating Budget Testimony
Governor's Office for Children**

Carmel Martin, Special Secretary

House Appropriations Committee
Education and Economic Development Subcommittee
Delegate Stephanie Smith, Chair
Delegate Kevin M. Harris, Vice Chair
January 29, 2025

Senate Budget and Taxation Committee
Education, Business and Administration Subcommittee
Senator Nancy J. King, Chair
February 7, 2025

Thank you for the opportunity to appear before the Subcommittee today in support of the proposed operating budget for the Governor's Office for Children (GOC) for fiscal year 2026. We thank our assigned DLS analyst Ms. Madelyn Miller, for her thoughtful and thorough analysis. As you know, in January 2024, the Governor's Office for Children was reestablished by Executive Order 01.01.2024.05 and codified through Chapters 408 and 735 of 2024. As DLS Analyst Madelyn Miller noted in her analysis, although GOC was reestablished just one year ago, the agency has been able to quickly develop program requirements and regulations, conduct outreach about its new signature initiative to potential applicants, and award the majority of available funding.

The Governor's Office for Children is focused on improving the well-being of Maryland's children. We serve as a coordinating and catalytic force across state agencies, local government, and partners in the private sector, bringing resources and strategies together to support the well-being of children and families and to reduce the number of children living in poverty. We are working with our agency colleagues on the Children's Cabinet, with partners in the private sector, and with stakeholders at the local level on a broad spectrum of issues, including community schools, benefits access and uptake, food insecurity and youth homelessness, access to high quality child care and education, higher education and workforce development, and access to health care. In our inaugural year, we have reinvigorated our relationship with the Local Management Boards to support the critical work that they are doing in their communities.

GOC strives to ensure that our work across state government is aligned, effective and efficient, that we are lifting up community needs and voice, and promoting public/private partnerships.

These are themes that you will see throughout our work, and at the heart of the ENOUGH initiative:

- Data and evidence based strategy;
- Driven by community needs and voice;
- Executed through strong cross-sector partnership

As the Governor has said, the ENOUGH Act and the work of the Children's Cabinet are designed to help the State and local communities leverage existing resources more effectively, while also identifying and securing new resources to support Maryland's children through partnerships across sectors.

In just one year since the GOC was officially established, the office has made tremendous progress. The GOC has filled **14 positions**, and is scheduled to fill one final open position by February 5th, 2025. The GOC created a website that has received more than **30,000 views**, and quickly **completed all programmatic requirements** of the ENOUGH grant program including building an eligibility map, notifying all local governments of the neighborhoods eligible to participate in ENOUGH, publishing application guidelines, and identifying the first cohort of grant recipients. We received strong feedback from applicants that the notice of funding was well aligned with the mission to reduce child poverty. ENOUGH Implementation Grantee Yolanda Jiggetts of Park Heights Renaissance said, "When I read the grant notice, I cried...Thanks to this grant, Park Heights will soon be recognized as a national model of effective community public and private partnerships to drive impactful outcomes and reverse generational poverty."

Furthermore, the GOC has gone well beyond the programmatic requirements established through statute, offering a robust set of technical assistance opportunities to communities across Maryland interested in joining this collective effort to combat child poverty. During the application period alone, the GOC offered **16 webinars** from local and national experts on place-based poverty work, published an online resource hub which included **144 articles and resources**, and hosted weekly office hours for communities who wanted hands-on support. Additionally, due to our focus on cross-sector partnerships, the GOC quickly established partnerships with several non-profit organizations with a proven track record of place-based poverty work including the William Julius Wilson Institute at Harlem Children's Zone, Purpose Built Communities, Partners for Rural Impact, and StriveTogether. Leveraging over **\$3 million in philanthropic funding**, these organizations crossed the state, identifying communities who were interested in the ENOUGH Initiative and providing **1:1 coaching and technical assistance** to support their applications and develop strategic plans to begin their own place-based strategies.

In turn, the response from Maryland communities has been overwhelming. **575 organizations** submitted letters of intent to apply, indicating their interest in joining an ENOUGH partnership table. **88 organizations** applied to be a "community quarterback", representing a **total request for \$63,085,590 in funding**. Ultimately, GOC selected **27 grantees** to serve in the inaugural cohort of the ENOUGH grant program and **awarded \$13,100,000 in funding**. These 27

grantees will support approximately **29,500 children living in poverty** to escape the harmful effects of poverty. Each of these grantees represents a robust set of partner organizations. In fact, **487 organizations** will sit on the "partnership tables" of the inaugural cohort of ENOUGH neighborhoods including public schools, non profits, local health clinics, small businesses, and local government entities.

Beyond the ENOUGH Grant program, the GOC has reinvigorated our relationship with the Local Management Boards, reestablishing **monthly state-wide meetings** and establishing a **working group** that meets weekly to chart the path forward for LMBs and the GOC. The GOC issued a **\$5 million ENOUGH LMB Capacity Building Grant Notice of Funding Availability** (NOFA), leveraging the local infrastructure and expertise of LMBs to build the capacity of high-poverty communities within their jurisdictions to design and implement strategies that increase economic mobility and reduce child poverty. This funding provides resources to LMBs to:

- Support ENOUGH Partnership Development grantees in their jurisdictions as they build their capacity and advance toward Track 2: Plan Development
- Build the capacity of other high-poverty communities in their jurisdiction to plan and implement community-driven, collaborative action to tackle concentrated poverty.

Lastly, the GOC has reestablished the Children's Cabinet. Since May 2024, **the Children's Cabinet has met 6 times**, and four subcommittees have been established focused on community schools, access to benefits, children with complex needs, and ENOUGH as an 'all-of-government' approach.

Early successes include:

- Collaborating with the Comptroller to launch an interagency campaign to increase awareness and uptake of the Earned Income Tax Credit and the Child Tax Credit
- Developing an all-of-government strategy to expand and improve the delivery of state programs and resources into community schools
- Coordinating an ongoing, statewide outreach strategy to identify the challenges and opportunities facing local care teams and develop strategies for improving capacity and effectiveness
- Supporting the Maryland Department of Disabilities in successfully securing a federal grant to identify barriers for youth with disabilities in gaining access to SSI
- Facilitate interagency alignment with the Department of Housing and Community Development's federal Youth Homelessness Systems Improvement grant
- Working with Children's Cabinet agencies to identify programs that will prioritize ENOUGH jurisdictions in upcoming solicitations, such as the EARN program and the Consortium on Coordinated Community Supports

Lastly, through the ENOUGH All of Government Approach, the GOC and the Governor's Office have inspired the formation of the [ENOUGH Alliance](#), a coalition of local and national philanthropy and private sector organizations dedicated to investing in children and families to end child poverty in Maryland. Inspired by the legislature's commitment to the ENOUGH Act, philanthropic and private sector institutions have come together to amplify the state's investment, with an **initial commitment of more than \$100 million to form the ENOUGH Alliance**. This five time increase of the state's investment surpasses the Governor's goal of matching the state's investment of \$20 million in the ENOUGH initiative in FY25.

Agency Responses

ENOUGH GRANT PROGRAM:

Page 9: The Department of Legislative Services (DLS) recommends reducing the general fund appropriation for the ENOUGH Grant Fund account by \$22.9 million and the special fund authorization by a corresponding amount to provide the mandated funding level in fiscal 2026.

Agency Response: GOC respectfully disagrees.

The ENOUGH Act statute lays out requirements that lead to natural increases in funding beyond the first year's funding allocation as communities complete statutory requirements. Specifically, the statute requires ENOUGH grantees to build local partnerships, to conduct needs assessments, to create immediate and long-term action plans to reduce child poverty, and to provide a "description of where state funding is being requested to be spent in the eligible neighborhood." Once those activities are achieved, communities will receive funds to implement their action plans.

In Fiscal Year 2025, the GOC built a three track model to align with the statute: Track 1: Partnership Development; Track 2: Plan Development; and Track 3: Implementation. Track 1 and Track 2 were designed to provide communities with funds to meet the requirements outlined above (partnership, needs assessments, action plans, description of state funding requested). Only communities that could meet the high standards assigned to Track 1 and Track 2 received Track 3: Implementation grants in Fiscal Year 2025. These three communities were Cherry Hill in Baltimore City, Park Heights in Baltimore City, and Hagerstown in Washington County.

The Fiscal Year 2025 ENOUGH Grant Fund included \$20 million:

- \$13.1 million allocated to ENOUGH Grant Program awards.
- \$1.9 million to technical assistance and fiscal mapping.
- \$5 million allocated to Local Management Boards to build the capacity of communities to plan and implement community-driven, collaborative action strategies that advance place-based strategies designed to tackle concentrated poverty.

The Fiscal Year 26 proposed budget includes an increase of \$17.9 million for the ENOUGH Grant Fund for a total of \$37.9 million. There are three key reasons why the GOC will require \$37.9 million in ENOUGH Grant Funds in FY26.

- The three FY25 Track 3 communities received a grant that covers expenses in the final six months of Fiscal Year 2025 (January 1, 2025 - June 30, 2025). In Fiscal Year 2026, these three communities will require an increase in funding to cover a full 12 months of expenses. Additionally, a significant portion of the 24 Track 2 and Track 1 communities from Fiscal Year 2025 will complete requirements for their respective Track and move up to the next Track in Fiscal Year 2026. Those who move up from Track 1 to Track 2 will

require a new grant of \$300,000 to complete requirements associated with needs assessments and action plans. Those who move up from Track 2 to Track 3 will require a new grant of approximately \$3 million to initiate implementation of their action plans. The design of the program accounted for the fact that communities would require time to stand up funded initiatives, but multi-year funding would scale up as communities put programs in place and progressed through the tracks. In addition, increased funding in the second year is needed to reach additional communities given the level of demand seen in our first year.

- GOC will continue allocating \$5 million to Local Management Boards to continue the capacity building activities they launched in FY25 and to continue support for communities with high concentrations of poverty to implement ENOUGH aligned strategies.
- GOC will continue allocating funds to provide technical assistance and to conduct fiscal mapping. Additionally, GOC will use a portion of these funds to conduct an independent evaluation of the program's impact.

The requested increase will allow communities across the state to implement the statutory purpose of the ENOUGH Grant Program: “increase community health and safety; provide cradle to career access to high-quality education and care; connect residents to quality jobs and in-demand occupations; enable family-sustaining income and access to affordable high-quality housing, childcare, and healthcare, including reproductive, maternal, behavioral, and mental healthcare; provide high quality support for children with disabilities, child welfare, and justice-involved youth and young adults; connect individuals to state programs; and leverage federal, local, and private funding for the eligible neighborhood.”

Without the increase in funding anticipated by the statute, communities with implementation grants will not be able to fulfill the requirements of their current grants and partnership and planning communities will complete required activities and will not receive funding to take the next step forward in Fiscal Year 2026. Additionally, Local Management Boards in each of Maryland's 24 counties and Baltimore City will not be able to continue their work building the capacity of high-poverty communities within their jurisdictions to design and implement strategies that increase economic mobility and reduce child poverty.

Thus, the vision of the ENOUGH Act will not be fulfilled without the requested increase in ENOUGH funds this fiscal year.

BALTIMORE CITY CHILDREN AND YOUTH FUND:

Page 12: Due to the expiration of the funding mandate, DLS recommends eliminating the \$3.5 million general fund appropriation for the Baltimore City Children and Youth Fund grant.

Agency Response: GOC respectfully disagrees.

The Baltimore Children and Youth Fund (BCYF) grant is included in the fiscal 2026 allowance as it remains a critical piece of GOC's work to address and tackle childhood poverty in Baltimore City. Baltimore City has the largest proportion of Maryland children living in poverty at 19.1%, representing more than 30,000 children. Additionally, Baltimore City has 69 ENOUGH-eligible census tracts, representing 59% of the total eligible census tracts in the state. For the FY25 ENOUGH Grant Program, 34 organizations from Baltimore City applied for funding and 11 were awarded. This data illustrates the high level of child poverty and need for resources in Baltimore City that cannot be supported just through the Children's Cabinet Interagency Fund (CCIF) and ENOUGH Grant Program.

BCYF aligns with GOC's 4 pillars under the ENOUGH grant program: Cradle to Career Education, Healthy Families, Economically Secure Families, and Safe and Thriving Communities. Programs such as High School Out-of-School Time (OST) Programming, Home Instruction for Parents of Preschool Youngsters (HIPPY), Housing Stability Strategy, and Home Visiting Housing Support Program all ensure that Baltimore's children and youth are healthy, are ready to learn and succeed in school, and live in stable, safe, and supportive families and communities; focus on the prevention of negative outcomes and on supporting and enhancing the strengths of children, youth, and their families; strengthen community-based networks of recreation and after-school services in all neighborhoods; and, ensure that children and youth with the highest needs receive maximum benefit from the Fund.

PERSONNEL DATA:

Page 12. GOC should comment on how the addition of these positions will increase its ability to fulfill its mission.

Currently, 1 in 8 Maryland children live in poverty. Governor Wes Moore reestablished the Governor's Office for Children in January 2024 with the **core mission to end child poverty in the State of Maryland**, which is the Governor's #1 Implementation Priority in Maryland's State Plan. The GOC administers two cross-sector grant programs 1) The ENOUGH Grant Program (community-based grant program) and 2) the Children's Cabinet Interagency Fund (county level funding). Furthermore, the GOC drives interagency policy initiatives through the Children's Cabinet.

Maryland invested \$20 million into the ENOUGH Grant Program in FY25, and the Governor has proposed that investment grow in FY26 to approximately \$37.9 million as the program is scaled up and more communities engage in this critical work. In addition to grantmaking, the GOC is responsible for providing robust technical assistance and support to communities as they work to implement the ENOUGH Theory of Action. Because ENOUGH purposefully targets neighborhoods that are under-resourced and have faced historic disinvestment, GOC staff capacity to provide communities with coaching, data, tools and a network of local and national experts in anti-poverty work is critical to the program model and program success. As Governor Wes Moore said, "Communities will provide the vision, and we will provide the support."

Through collaborative action with GOC, and informed by data, research and best practices, communities that receive ENOUGH funding will implement evidence-based interventions and track progress and outcomes across three core pillars:

- Unlocking children’s potential through early care and education from birth until a working career, specifically ensuring smooth transitions;
- Supporting healthy and economically secure families to ensure families have good-paying jobs and high quality health care; and
- Creating safe and thriving communities to ensure residents feel safe and that the built environment supports their ability to thrive.

The Children’s Cabinet

The GOC also chairs and manages the day-to-day work of the Children’s Cabinet. The Children’s Cabinet focuses on the coordination of policies and programs targeting child poverty (including through place-based strategies) and provides a forum for State agencies to develop coordinated policy recommendations for the Governor.

GOC’s policy staff coordinate the work of the Children’s Cabinet, including running a series of interagency working groups to implement the Children’s Cabinet’s priorities. This coordination has been critical to: (a) spearheading high-priority interagency anti-poverty efforts that other agencies lack the capacity or position to lead, and (b) ensuring—consistent with the Governor’s public commitment—a whole-of-government approach to ending child poverty. Some of the initiatives already launched through this collaboration in the few months since the work began include: Strengthening Community Schools ability to meet the needs of students and families by leveraging the Children’s Cabinet to align state agency resources with high-poverty community schools; partnering with the Comptroller to increase uptake of the child tax credit and earned income tax credit; and coordinating across agencies to ensure that grant programs that can reduce poverty are appropriately targeted to ENOUGH communities.

We are actively working to tackle cross-agency challenges such as reducing out of home placements by providing services and support to children at risk of entering the child welfare or juvenile justice systems or hospitalization and better targeting workforce development programs so they support those living in poverty or at risk of falling into poverty.

GOC’s new PINS will provide critical operational and programmatic capacity towards the mission of ending child poverty in Maryland. The new PINS will provide the staff capacity necessary to run a dynamic, growing grant program and spearhead critical inter-agency policy processes that will move the needle on this Administration’s top priority of ending child poverty in Maryland.

5 PINS will support the GOC’s work as a coordinating office in running the Children’s Cabinet and spearheading the Governor’s all-of-government approach to ending child poverty in Maryland. The PINs include:

- 1.0 FTE Policy Advisor Care & Education, Class Code 7735, Grade 19, Step 13
- 1.0 FTE Policy Advisor Community Development & Economic Security, Class Code 7735, Grade 19, Step 13
- 1.0 FTE Research & Evaluation Analyst, Class Code 7876, Grade 21, Step 12
- 1.0 FTE Communications Director, Class Code 7644, Grade 22, Step 11
- 1.0 FTE Senior Advisor, Partnerships and Funding, Class Code 7876, Grade 21, Step 14

These are necessary to support the breadth of the policy work that will be executed in the ENOUGH jurisdictions, and also the cross-agency, whole-of-government approach to fighting child poverty

and increasing economic mobility through the Children’s Cabinet. Please see a detailed description of each PIN below.

Policy Advisors: As we work deeply in a targeted number of communities to undo decades of disinvestment and discriminatory policy action, we are also working through the Children’s Cabinet to drive change across the state that is designed to increase the impact of over \$7 billion of state programming designed to tackle poverty. Our goal is to fully leverage the programs, initiatives and personnel already focused on the Governor’s goal to end child poverty and increase economic mobility. GOC already taps into and leverages the expertise sitting within the Children’s Cabinet agencies, but those agency staff often have limited bandwidth to devote to interagency work given the need to focus on the work of day-to-day agency operations. As an entity designed to foster and strengthen interagency collaboration, GOC is a force multiplier, uniquely positioned to de-silo agency efforts and increase effectiveness and efficiency across the government’s anti-poverty initiatives by improving collaboration and alignment. For example, interagency coordination around expanding access to benefits – which implicates agencies from MDL’s unemployment insurance program to the Comptroller’s child tax credits – now runs through a working group chaired by GOC’s Policy team. The breadth of promising initiatives already identified by the Children’s Cabinet and working groups requires the allocated PINS outlined above.

Some key interagency projects that are necessary to reduce child poverty and that the new PINS will provide GOC with capacity to lead include: identifying and addressing barriers to college enrollment and college completion by foster youth, homeless youth, and students who are also parents; improving outcomes in community schools by expanding the delivery of state agency programs and supports to children and families served by those schools; developing and coordinating interagency efforts to surge resources to at-risk youth “upstream,” before they are in crisis, based on early warning indicators; improving awareness and uptake of programs like the Maryland Mortgage Program and the childcare scholarships by individuals living in neighborhoods of concentrated poverty who would most benefit from those programs; identifying and implementing strategies to streamline and simplify benefits delivery across multiple programs; and expanding access to home rehabilitation, neighborhood revitalization and home ownership in high-poverty neighborhoods to improve community permanence and stability and break the cycle of intergenerational poverty. Notably, these are all interagency initiatives that would improve the efficiency and effectiveness of existing programs, maximizing the investment by the legislature.

The work of the GOC policy team is also critical to the success of the ENOUGH grant program. A larger policy team will provide meaningful support to grantees, advising on best practices, driving promising Children’s Cabinet initiatives in these communities, and connecting communities to leading anti-poverty research and resources. Given the breadth of issues that we expect ENOUGH grantees to tackle – from education and health to economic security and built environment – GOC has conservatively been allocated two policy advisor PINS in the fiscal 2026 allocation, who will bring expertise in this range of policies, to increase the level of support we can provide to these communities.

Research Analyst: The GOC has been allocated a PIN for a Research and Evaluation Analyst to address the broad range of research and evaluation needs. By statute, GOC is required to study methods for “counting poverty” for purposes of state funding allocations. We have contracted with an external organization to do some of this work but this PIN provides in-house expertise to coordinate with external partners and ensure that it is carried forward into policy discussions. This position will also enable GOC to take on additional research designed to improve state programs and services with respect to tackling poverty and increasing economic mobility. In addition, once GOC has its first cohort of ENOUGH grantees as of January 1, 2025, a GOC research and evaluation analyst will help design appropriate metrics for the program and track progress against those metrics so that we can evaluate the effectiveness of the Initiative and make adjustments for improvement as the program grows. This type of evaluation is complex but absolutely critical to ensuring that we are investing the taxpayers’ dollars effectively. As we set the standard for this work across the nation, being the first state to invest in ending child poverty at this level, accurate and timely data collection will be necessary to demonstrate success.

Communications Director: GOC is spearheading the ENOUGH Initiative and working to implement the first priority in the State Plan through the Children’s Cabinet. The Communications Director PIN will provide GOC with an experienced communications professional on staff to craft the narrative and tell the story of how this work has made a difference in people’s lives, engage with a range of audiences and stakeholders, and work closely with the Governor’s communications team to make clear that the fight against child poverty is one **we can win if we are persistent**. The Communications Director will help mobilize partnerships with federal, state, local, and private sector leaders, by expanding the footprint and visibility of ENOUGH across multiple platforms and outlets.

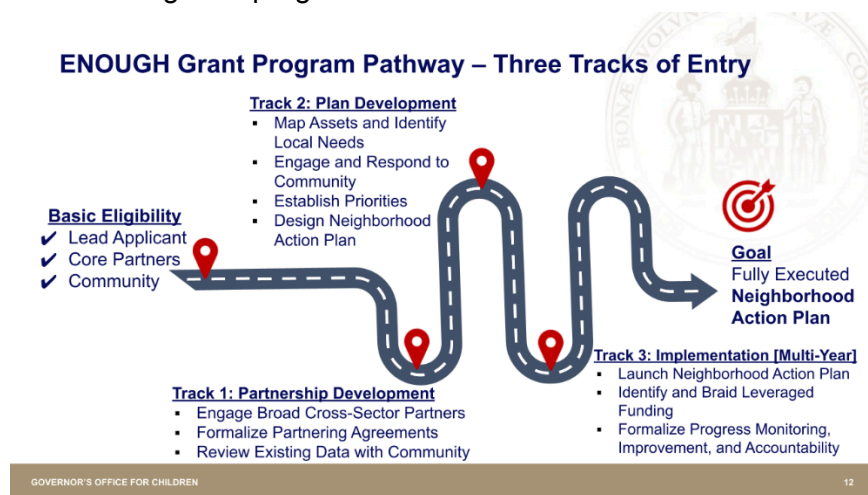
Senior Advisor, Partnerships and Funding: Two critical components of the ENOUGH Initiative are public-private partnerships and the “all of government” approach. The Governor has publicly set the goal that the state investment in the ENOUGH Grant Program (\$200M over 6 years) will be matched by the private sector. The Senior Advisor, Partnerships and Funding PIN will build robust partnerships with the corporate and philanthropic sector and ensure that partnerships that are established are properly nurtured. There has been significant interest in the ENOUGH Initiative by the private sector, and a full-time staff person will provide the GOC with capacity to harness this interest and convert it into an investment that matches or surpasses the investment by the General Assembly. This position will also coordinate private sector support for the policy work of the GOC and Children’s Cabinet. Additionally, this position will work closely with all agencies on the Children’s Cabinet to develop innovative ways to prioritize ENOUGH communities in their work, ensuring that these communities have access to programming and support each agency in state government has to offer.

6 PINS will support the ENOUGH Grant Program, which was designed to scale over the course of several years.

- 2.0 FTE Community Engagement Lead, Class Code 7735, Grade 19, Step 11
- 3.0 FTE Community Engagement Coordinator (formerly known as ENOUGH Liaison), Class Code 7740, Grade 18, Step 11
- 1.0 FTE Children’s Funding Coordinator, Class Code 7740, Grade 18, Step 10

In year 1, GOC was responsible for designing and launching the program through a competitive application process and selecting an initial cohort of communities to engage in Track 1, 2, or 3 of the program based on readiness. GOC has identified 3 communities to receive the largest and most comprehensive grants – the Track 3 Implementation Grants – in FY25. Based on the design of the ENOUGH program, Track 3 communities will require GOC staff to build deep relationships with these communities and ensure the communities receive robust technical assistance and support from the GOC, our partners, and all state agencies. Track 2 and Track 1 grantees will also require robust support to ensure that our investment in these communities is productive and effective at fighting poverty and moving the communities forward to Track 3 implementation.

Selected communities received grants in December 2024 and began their work in January 2025, with the expectation that in the coming fiscal years those communities that demonstrate readiness advance through the program and receive larger-scale grants to implement Neighborhood Action Plans. Below are graphics that illustrate the three tracks of the ENOUGH Grant Program and how communities will move through the program over time.



(2) *The ENOUGH Community Engagement Leads* will supervise, support, and train the 5 place-based ENOUGH community engagement coordinators in the field as well as provide direct support to ENOUGH communities.

(3) *The ENOUGH Community Engagement Coordinators* will serve as place-based staff, spending the majority of their time out in the community, supporting ENOUGH neighborhoods and building strong relationships with communities. These community engagement coordinators will be assigned to specific geographic areas –e.g., Baltimore City; Capital Region; Eastern MD; Western MD.

(1) *Children’s Funding Coordinator* - In the ENOUGH Act (SB 482), GOC was tasked with creating a public, centralized database of all State, local, and private resources available for children, youth, and families in the state. This fiscal “map” is a crucial tool for ensuring that ENOUGH jurisdictions, and communities across the State of Maryland, are aware of and pursuing all possible sources of funding to support children and families. In FY25, GOC created a contractual PIN that is focused on building this database to fulfill our statutory requirement. This PIN will allow the database (referred to as the Fiscal Map) to have the intended impact. This position will not only maintain and update

the fiscal map annually, but also provide ongoing training and support to ENOUGH communities and stakeholders across the state on how to use this tool effectively.

PROGRAMMATIC AND REPORTING REQUIREMENTS:

Page 14. Therefore, DLS recommends adopting committee narrative requesting GOC to create detailed agency objectives and performance measures and to submit proposed measures by December 1, 2025.

Agency Response: GOC agrees with the committees' request and will ensure the submission of MFR goals, objectives, and measures are submitted by December 1, 2025.

By December 1, 2025 the GOC is required to develop a three-year plan for children, youth, and families. We are in the process of developing that plan now and we will be setting goals, objectives, and performance measures aligned with the three-year plan. Additionally, the GOC has partnered with the Urban Institute and is creating community-specific dashboards for all 27 ENOUGH communities that will include universal measures related to the ENOUGH theory of action. These universal measures will inform county-level dashboards for each Local Management Board as well as a state-wide dashboard for the GOC and the Children's Cabinet, and the Governor. Each dashboard will reflect overarching data points that illustrate the wellbeing of children in Maryland as well as progress measures to track implementation of ENOUGH theory of action.

YOUTH DATA PLACEMENT:

Page 18. DLS therefore recommends that \$100,000 in withheld general funds for each of DHS, DJS, DDA, and MSDE be released and will process a letter to this effect if no objections are raised during the hearing.

Agency Response: GOC takes no position on the withholding of funds.

Page 18. DLS recommends adding a section to the budget bill restricting funds in each of the data contributing agencies pending the submission of the 2025 OOH report.

Agency Response: GOC takes no position on this recommendation, and adds clarification that the Agency does not contribute data to the report, but is a conduit of this information.

Page 19. OPERATING BUDGET RECOMMENDED ACTIONS:

1. Reduce the general fund appropriation for the Engaging Neighborhoods, Organizations, Unions, Governments, and Households Grant Fund to the mandated level.
-\$22,862,000

Agency Response: GOC respectfully disagrees with the recommendation to reduce the general fund appropriation for ENOUGH.

The ENOUGH Act statute lays out requirements that lead to natural increases in funding beyond the first year's funding allocation as communities complete statutory requirements. Specifically, the statute requires ENOUGH grantees to build local partnerships, to conduct needs assessments, to create immediate and long-term action plans to reduce child poverty, and to provide a "description of where state funding is being requested to be spent in the eligible neighborhood." Once those activities are achieved, communities will receive funds to implement their action plans.

In Fiscal Year 2025, the GOC built a three track model to align with the statute: Track 1: Partnership Development; Track 2: Plan Development; and Track 3: Implementation. Track 1 and Track 2 were designed to provide communities with funds to meet the requirements outlined above (partnership, needs assessments, action plans, description of state funding requested). Only communities that could meet the high standards assigned to Track 1 and Track 2 received Track 3: Implementation grants in Fiscal Year 2025. These three communities were Cherry Hill in Baltimore City, Park Heights in Baltimore City, and Hagerstown in Washington County.

The Fiscal Year 2025 ENOUGH Grant Fund included \$20 million:

- \$13.1 million allocated to ENOUGH Grant Program awards
- \$1.9 million to technical assistance and fiscal mapping.
- \$5 million allocated to Local Management Boards to build the capacity of communities to plan and implement community-driven, collaborative action strategies that advance place-based strategies designed to tackle concentrated poverty.

The Fiscal Year 26 proposed budget includes an increase of \$17.9 million for the ENOUGH Grant Fund for a total of \$37.9 million. There are four key reasons why the GOC will require \$37.9 million in ENOUGH Grant Funds in FY26.

- The three FY25 Track 3 communities received a grant that covers expenses in the final six months of Fiscal Year 2025 (January 1, 2025 - June 30, 2025). In Fiscal Year 2026, these three communities will require an increase in funding to cover a full 12 months of expenses. Additionally, a significant portion of the 24 Track 2 and Track 1 communities from Fiscal Year 2025 will complete requirements for their respective Track and move up to the next Track in Fiscal Year 2026. Those who move up from Track 1 to Track 2 will require a new grant of \$300,000 to complete requirements associated with needs assessments and action plans. Those who move up from Track 2 to Track 3 will require a new grant of approximately \$3 million to initiate implementation of their action plans. The design of the program accounted for the fact that communities would require time to stand up funded initiatives, but multi-year funding would scale up as communities put programs in place and progressed through the tracks. In addition, increased funding in the second year is needed to reach additional communities given the level of demand seen in our first year.
- GOC will continue allocating \$5 million to Local Management Boards to continue the capacity building activities they launched in FY25 and to continue support for

communities with high concentrations of poverty to implement ENOUGH aligned strategies.

- GOC will continue allocating funds to provide technical assistance and to conduct fiscal mapping. Additionally, GOC will use a portion of these funds to conduct an independent evaluation of the program's impact.

The requested increase will allow communities across the state to implement the statutory purpose of the ENOUGH Grant Program: "increase community health and safety; provide cradle to career access to high-quality education and care; connect residents to quality jobs and in-demand occupations; enable family-sustaining income and access to affordable high-quality housing, childcare, and healthcare, including reproductive, maternal, behavioral, and mental healthcare; provide high quality support for children with disabilities, child welfare, and justice-involved youth and young adults; connect individuals to state programs; and leverage federal, local, and private funding for the eligible neighborhood."

Without the increase in funding anticipated by the statute, communities with implementation grants will not be able to fulfill the requirements of their current grants and partnership and planning communities will complete required activities and will not receive funding to take the next step forward in Fiscal Year 2026. Additionally, Local Management Boards in each of Maryland's 24 counties and Baltimore City will not be able to continue their work building the capacity of high-poverty communities within their jurisdictions to design and implement strategies that increase economic mobility and reduce child poverty.

Thus, the vision of the ENOUGH Act will not be fulfilled without the requested increase in ENOUGH funds this fiscal year.

2. Reduce the special fund appropriation for the Engaging Neighborhoods, Organizations, Unions, Governments, and Households Grant Fund to align with the general fund appropriation.

-\$22,862,000 SF

Agency Response: GOC respectfully disagrees with the recommendation to reduce the special fund appropriation for ENOUGH. Please see GOC's response above under Operating Budget Recommended Action #1 regarding the corresponding general funds.

3. Adopt the following narrative:

Status Report on Managing for Results (MFR) Measures: Because the Governor's Office for Children (GOC) is a newly reestablished agency, it did not submit MFR goals, objectives, or measures with its fiscal 2026 budget. The committees request that, by December 1, 2025, GOC submit proposed MFR goals, objectives, and measures to be provided with the agency's fiscal 2027 budget.

Agency Response: GOC agrees with the committees' request and will ensure the submission of MFR goals, objectives, and measures are submitted by December 1, 2025.

By December 1, 2025 the GOC is required to develop a three-year plan for children, youth, and families. We are in the process of developing that plan now and we will be setting goals, objectives, and performance measures aligned with the three-year plan. Additionally, the GOC has partnered with the Urban Institute and is creating community-specific dashboards for all 27 ENOUGH communities that will include universal measures related to the ENOUGH theory of action. These universal measures will inform county-level dashboards for each Local Management Board as well as a state-wide dashboard for the GOC and the Children's Cabinet, and the Governor. Each dashboard will reflect overarching data points that illustrate the wellbeing of children in Maryland as well as progress measures to track implementation of ENOUGH theory of action.

4. Reduce the general fund appropriation for the Baltimore City Children and Youth Fund grant due to the mandate's expiration.

-\$3,500,000 GF

Agency Response: GOC respectfully disagrees with the proposed reduction in funding for the Baltimore Children and Youth Fund.

The Baltimore Children and Youth Fund (BCYF) grant is included in the fiscal 2026 allowance as it remains a critical piece of GOC's work to address and tackle childhood poverty in Baltimore City. Baltimore City has the largest proportion of Maryland children living in poverty at 19.1%, representing more than 30,000 children. Additionally, Baltimore City has 69 ENOUGH-eligible census tracts, representing 59% of the total eligible census tracts in the state. For the FY25 ENOUGH Grant Program, 34 organizations from Baltimore City applied for funding and 11 were awarded. This data illustrates the high level of child poverty and need for resources in Baltimore City that cannot be supported just through the Children's Cabinet Interagency Fund (CCIF) and ENOUGH Grant Program.

BCYF aligns with GOC's 4 pillars under the ENOUGH grant program: Cradle to Career Education, Healthy Families, Economically Secure Families, and Safe and Thriving Communities. Programs such as High School Out-of-School Time (OST) Programming, Home Instruction for Parents of Preschool Youngsters (HIPPI), Housing Stability Strategy, and Home Visiting Housing Support Program all ensure that Baltimore's children and youth are healthy, are ready to learn and succeed in school, and live in stable, safe, and supportive families and communities; focus on the prevention of negative outcomes and on supporting and enhancing the strengths of children, youth, and their families; strengthen community-based networks of recreation and after-school services in all neighborhoods; and, ensure that children and youth with the highest needs receive maximum benefit from the Fund.

5. Add the following section:

Section XX Out-of-home Placements Report

SECTION XX. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation of the Department of Human Services Social Services Administration, \$100,000 of the general fund appropriation of the Department of Juvenile Services, \$100,000 of the general fund appropriation of the Maryland Department of Health

Developmental Disabilities Administration, and \$100,000 of the general fund appropriation of the Maryland State Department of Education may not be expended until the Governor's Office for Children (GOC) submits a report on behalf of the Children's Cabinet to the budget committees on out-of-home placements containing:

- (1) the total number and one-day counts (as of January 1) of out-of-home placements and entries by jurisdiction, by agency, and by placement type for fiscal 2023, 2024, and 2025;
- (2) the total number and one-day counts (as of January 1) of out-of-state placements, including the number of family home, community-based, and noncommunity-based out-of-state placements for fiscal 2023, 2024, and 2025 categorized by state and by age category;
- (3) the costs associated with out-of-home placements;
- (4) an explanation of recent placement trends;
- (5) findings of child abuse and neglect occurring while families are receiving family preservation services or within one year of each case closure; and
- (6) areas of concern related to trends in out-of-home and/or out-of-state placements and potential corrective actions that the Children's Cabinet and local management boards can take to address these concerns.

Further provided that each agency or administration that funds or places children and youth in out-of-home placements shall assist GOC and comply with any data requests necessary for the timely production of the report. The report shall be submitted to the budget committees by January 1, 2026, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise for any other purpose. Should the report not be submitted by the requested date, the restricted funds shall revert to the General Fund.

Agency Response: GOC takes no position on the withholding of funds and agrees to filing the Out-of-Home Placement Report with the request that the one-day count data be tied to a different date, as one-day counts on January 1 may be artificially skewed and not representative because of the proximity to the holidays. GOC has consulted with DHS, which recommends October 15th as a more representative date on which to pull a one-day count because it captures data entries provided later in the year.