

Resolution No.: 20-979
Introduced: November 4, 2025
Adopted: November 18, 2025

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsors: County Council

SUBJECT: Special Appropriations to the FY26 Operating Budget
Montgomery County Government:
Community Grants Non-Departmental Account, \$2,250,000 (Source: General
Fund Undesignated Reserves);
Economic Development Fund, \$500,000 (Source: General Fund Undesignated
Reserves);
Department of Health and Human Services, \$1,500,000 (Source: General Fund
Undesignated Reserves); and
Office of Food System Resilience, \$3,500,000 (Source: General Fund
Undesignated Reserves)

Background

1. Section 308 of the Montgomery County Charter provides that a special appropriation: (a) may be made at any time after public notice by news release; (b) must state that the special appropriation is necessary to meet an unforeseen disaster or other emergency or to act without delay in the public interest; (c) must specify the revenues necessary to finance it; and (d) must be approved by no fewer than seven members of the Council.
2. On October 1, 2025, the Federal Government began a shutdown due to failure of the U.S. Congress to pass appropriations for Fiscal Year 2026.
3. On October 14, 2025, the County Council received a briefing about the impact on the County's nonprofit businesses and food assistance programs due to the actions by the Federal administration, the passage of the One Big Beautiful Bill Act (H.R. 1) in the summer of 2025, and the ongoing Federal Government shutdown.
4. Montgomery County is home to more than 77,000 residents directly employed by the Federal Government. In addition, many other residents are indirectly employed by the Federal Government through contracts that are now paused due to the Federal Government shutdown. Many of these residents are furloughed and are not receiving a paycheck as long as the Federal Government remains closed.

5. The County Council has determined the following FY26 appropriations are necessary to meet the economic harm caused by the ongoing Federal Government shutdown:

<u>Appropriate To</u>	<u>Personnel Costs</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
Community Grants NDA	\$0	\$2,250,000	\$2,250,000	General Fund Undesignated Reserve
Economic Development Fund	\$0	\$500,000	\$500,000	General Fund Undesignated Reserve
Health and Human Services	\$0	\$1,500,000	\$1,500,000	General Fund Undesignated Reserve
Office of Food Systems Resilience	\$0	\$3,500,000	\$3,500,000	General Fund Undesignated Reserve

6. This resolution allocates these special appropriations as follows:
- a. \$1,500,000 is appropriated to the Community Grants NDA to create a grant program for 501(c)(3) non-profits to offset cancelled or delayed Federal funds due to the Federal Government shutdown or other adverse administration actions to supplement core operating and salary costs required to sustain the organization in the absence of federal funds. The grant program will be limited to non-profits and the federally funded programs providing direct services to Montgomery County residents.
 - b. \$750,000 is appropriated to the Community Grants NDA to create a grant program for capacity building and technical assistance for non-profits to pursue consolidation of services and preparation due to adverse Federal actions, with the specific deliverable of a strategic plan developed by the non-profits that includes specific recommendations on how non-profits and the County Government can meet those challenges.
 - c. \$500,000 is appropriated to the Economic Development Fund to support business creation through the MOVE Program.
 - d. \$500,000 is appropriated to the Department of Health and Human Services for the Montgomery County Pride Center as the sole County provider addressing LGBTQIA+ needs.
 - e. \$1,000,000 is appropriated to the Department of Health and Human Services for the Short-term Housing and Resolution Program (SHARP) to support residents that are at risk of experiencing homelessness.
 - f. \$3,500,000 is appropriated to the Office of Food Systems Resilience to provide food access to the County residents at risk of food insecurity.
7. The County Council intends that this resolution for special appropriations is a one-time action to address the ongoing damage caused by the Federal Government shutdown, as that shutdown extends beyond a month.

8. The County Executive must submit a report to the County Council within 45 days from the date of the approval of this special appropriation. The report must detail the progress in implementing each of the allocated items for these special appropriations, including a breakdown of how funds have been disbursed. The County Executive must submit reports every 90 days after the first report is submitted to update the County Council on the progress and use of the funds for each of the allocated items for these special appropriations until all funds are disbursed through this resolution.
9. The public was notified of these special appropriations by a news release, and a public hearing was held.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

1. Special appropriations to the FY26 Operating Budget are as follows:

<u>Appropriate To</u>	<u>Personnel Costs</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
Community Grants NDA	\$0	\$2,250,000	\$2,250,000	General Fund Undesignated Reserve
Economic Development Fund	\$0	\$500,000	\$500,000	General Fund Undesignated Reserve
Health and Human Services	\$0	\$1,500,000	\$1,500,000	General Fund Undesignated Reserve
Office of Food Systems Resilience	\$0	\$3,500,000	\$3,500,000	General Fund Undesignated Reserve

2. The special appropriations must be used as follows:
 - a. \$1,500,000 is appropriated to the Community Grants NDA to create a grant program for 501(c)(3) non-profits to offset cancelled or delayed Federal funds due to the Federal Government shutdown or other adverse administration actions to supplement core operating and salary costs required to sustain the organization in the absence of federal funds. The grant program will be limited to non-profits and the federally funded programs providing direct services to Montgomery County residents.

- b. \$750,000 is appropriated to the Community Grants NDA to create a grant program for capacity building and technical assistance for non-profits to pursue consolidation of services and preparation due to adverse Federal actions, with the specific deliverable of a strategic plan developed by the non-profits that includes specific recommendations on how non-profits and the County Government can meet those challenges.
 - c. \$500,000 is appropriated to the Economic Development Fund to support business creation through the MOVE Program.
 - d. \$500,000 is appropriated to the Department of Health and Human Services for the Montgomery County Pride Center as the sole County provider addressing LGBTQIA+ needs.
 - e. \$1,000,000 is appropriated to the Department of Health and Human Services for the Short-term Housing and Resolution Program (SHARP) to support residents that are at risk of experiencing homelessness.
 - f. \$3,500,000 is appropriated to the Office of Food Systems Resilience to provide food access to the County residents at risk of food insecurity.
3. The County Executive must submit a report to the County Council within 45 days from the date of the approval of this special appropriation. The report must detail the progress in implementing each of the allocated items for these special appropriations, including a breakdown of how funds have been disbursed. The County Executive must submit reports every 90 days after the first report is submitted to update the County Council on the progress and use of the funds for each of the allocated items for these special appropriations until all funds are disbursed through this resolution.
 4. The County Council declares that this resolution for special appropriations is necessary to act without delay in the public interest.

This is a correct copy of Council action.



Sara R. Tenenbaum
Clerk of the Council