

HOUSE BILL 1345

C8

7lr3199

By: **Delegate A. Washington**

Introduced and read first time: February 10, 2017

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **National Capital Strategic Economic Development Fund**

3 FOR the purpose of establishing the National Capital Strategic Economic Development
4 Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the
5 Department of Housing and Community Development to administer the Fund;
6 requiring the State Treasurer to hold the Fund and the Comptroller to account for
7 the Fund; specifying the contents of the Fund; specifying the purpose for which the
8 Fund may be used; specifying certain eligibility criteria for awarding grants from the
9 Fund; requiring interest earnings of the Fund to be credited to the Fund; requiring
10 an appropriation to the Fund to be allocated in a certain manner; exempting the
11 Fund from a certain provision of law requiring interest on State money in special
12 funds to accrue to the General Fund of the State; defining a certain term; and
13 generally relating to the National Capital Strategic Economic Development Fund.

14 BY adding to

15 Article – Housing and Community Development
16 Section 4–510
17 Annotated Code of Maryland
18 (2006 Volume and 2016 Supplement)

19 BY repealing and reenacting, without amendments,

20 Article – State Finance and Procurement
21 Section 6–226(a)(2)(i)
22 Annotated Code of Maryland
23 (2015 Replacement Volume and 2016 Supplement)

24 BY repealing and reenacting, with amendments,

25 Article – State Finance and Procurement
26 Section 6–226(a)(2)(ii)94. and 95.
27 Annotated Code of Maryland
28 (2015 Replacement Volume and 2016 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to
2 Article – State Finance and Procurement
3 Section 6–226(a)(2)(ii)96.
4 Annotated Code of Maryland
5 (2015 Replacement Volume and 2016 Supplement)

6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
7 That the Laws of Maryland read as follows:

8 **Article – Housing and Community Development**

9 **4–510.**

10 (A) IN THIS SECTION, “FUND” MEANS THE NATIONAL CAPITAL STRATEGIC
11 ECONOMIC DEVELOPMENT FUND.

12 (B) THERE IS A NATIONAL CAPITAL STRATEGIC ECONOMIC DEVELOPMENT
13 FUND.

14 (C) THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS AND LOANS TO
15 ASSIST IN PREDEVELOPMENT ACTIVITIES, INCLUDING SITE ACQUISITION, LAND
16 ASSEMBLY, ARCHITECTURE AND ENGINEERING, AND SITE DEVELOPMENT FOR
17 REVITALIZATION PROJECTS IN DESIGNATED AREAS OF THE STATE.

18 (D) THE DEPARTMENT SHALL ADMINISTER THE FUND.

19 (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
20 SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

21 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
22 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

23 (F) THE FUND CONSISTS OF:

24 (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

25 (2) INTEREST EARNINGS OF THE FUND; AND

26 (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
27 THE BENEFIT OF THE FUND.

28 (G) (1) THE FUND MAY BE USED ONLY TO PROVIDE GRANTS TO
29 GOVERNMENT AGENCIES AND COMMUNITY DEVELOPMENT ORGANIZATIONS FOR

1 SITE ACQUISITION, LAND ASSEMBLY, ARCHITECTURE AND ENGINEERING, AND SITE
2 DEVELOPMENT FOR REVITALIZATION PROJECTS IN AN AREA DESIGNATED AS A
3 SUSTAINABLE COMMUNITY.

4 (2) (I) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR
5 THEREAFTER, TO BE ELIGIBLE FOR A GRANT FROM THE FUND, A GOVERNMENT
6 AGENCY OR COMMUNITY DEVELOPMENT ORGANIZATION SHALL PROVIDE EVIDENCE
7 OF A MATCHING FUND THAT IS EQUAL TO \$1 FOR EVERY \$4 IN STATE FUNDING THAT
8 THE AGENCY OR ORGANIZATION IS APPLYING FOR FROM THE FUND.

9 (II) THE MATCHING FUND REQUIRED UNDER SUBPARAGRAPH
10 (I) OF THIS PARAGRAPH MAY INCLUDE:

11 1. MONEY FROM THE FEDERAL GOVERNMENT, LOCAL
12 GOVERNMENT, OR ANY OTHER PUBLIC OR PRIVATE SOURCE;

13 2. REAL PROPERTY;

14 3. IN-KIND CONTRIBUTIONS; AND

15 4. FUNDS EXPENDED BEFORE THE DATE THE GRANT IS
16 AWARDED.

17 (3) THE DEPARTMENT SHALL AWARD GRANTS FROM THE FUND ON A
18 COMPETITIVE BASIS.

19 (H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND
20 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

21 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO
22 THE FUND.

23 (I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE
24 WITH THE STATE BUDGET.

25 (J) IF THE GOVERNOR INCLUDES IN THE ANNUAL BUDGET BILL AN
26 APPROPRIATION TO THE FUND, THE APPROPRIATION SHALL BE ALLOCATED AS
27 FOLLOWS:

28 (1) 85% FOR PROJECTS IN THOSE AREAS OF THE STATE LOCATED
29 BETWEEN INTERSTATE HIGHWAY 495 AND THE DISTRICT OF COLUMBIA; AND

30 (2) 15% FOR PROJECTS THROUGHOUT THE STATE.

1 **Article – State Finance and Procurement**

2 6–226.

3 (a) (2) (i) Notwithstanding any other provision of law, and unless
4 inconsistent with a federal law, grant agreement, or other federal requirement or with the
5 terms of a gift or settlement agreement, net interest on all State money allocated by the
6 State Treasurer under this section to special funds or accounts, and otherwise entitled to
7 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
8 Fund of the State.

9 (ii) The provisions of subparagraph (i) of this paragraph do not apply
10 to the following funds:

11 94. the Community Program Fund; [and]

12 95. the Maryland Corps Program Fund; AND

13 96. **THE NATIONAL CAPITAL STRATEGIC ECONOMIC**
14 **DEVELOPMENT FUND.**

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
16 1, 2017.