

# SENATE BILL 287

C8, B1

0lr1136  
CF HB 127

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By: **Senators Elfreth, Augustine, Beidle, Griffith, Kagan, Lee, Waldstreicher, ~~and Washington~~ Washington, Guzzone, Rosapepe, Eckardt, Edwards, King, Peters, Salling, Serafini, and Zucker**

Introduced and read first time: January 21, 2020

Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 4, 2020

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Arts ~~and Culture~~ Capital Grant Program**

3 FOR the purpose of establishing the Maryland Arts ~~and Culture~~ Capital Grant Program;  
4 requiring the Maryland State Arts Council to administer the Program and hire a  
5 certain coordinator; requiring the Governor, for certain fiscal years, to include in the  
6 State operating or capital budget an annual appropriation of at least a certain  
7 amount for the Program; authorizing certain organizations to apply for certain  
8 grants; prohibiting certain organizations from receiving from the Council, in any  
9 fiscal year, a grant for a single project that exceeds a certain amount; requiring  
10 certain organizations, under certain circumstances, to match a certain amount of the  
11 grant awarded; authorizing the Council, under certain circumstances, to waive the  
12 match requirement; requiring the Council to establish a competitive application  
13 process for the Program; providing for the contents of the application; requiring the  
14 Department of Commerce to establish, by regulation, a quantitative system to  
15 evaluate each application that takes into account certain information; requiring the  
16 Council and a grant recipient to execute a certain program agreement; stating the  
17 intent of the General Assembly; and generally relating to the Maryland Arts ~~and~~  
18 ~~Culture~~ Capital Grant Program.

19 BY adding to  
20 Article – Economic Development  
21 Section 4–514  
22 Annotated Code of Maryland

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### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



(2018 Replacement Volume and 2019 Supplement)

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

**Article – Economic Development**

**4-514.**

(A) NOTHING IN THIS SECTION MAY BE CONSTRUED TO PROHIBIT AN ORGANIZATION FROM RECEIVING FUNDS FROM A GOVERNMENT SOURCE OTHER THAN THE MARYLAND ARTS ~~AND CULTURE~~ CAPITAL GRANT PROGRAM.

(B) (1) THERE IS A MARYLAND ARTS ~~AND CULTURE~~ CAPITAL GRANT PROGRAM.

(2) THE COUNCIL SHALL ADMINISTER THE PROGRAM AND HIRE AT LEAST ONE FULL-TIME COORDINATOR FOR THE PROGRAM.

(C) FOR EACH OF FISCAL YEARS 2022 THROUGH 2027, THE GOVERNOR SHALL INCLUDE IN THE STATE OPERATING OR CAPITAL BUDGET AN ANNUAL APPROPRIATION OF ~~\$10,000,000~~ \$3,000,000 FOR THE MARYLAND ARTS ~~AND CULTURE~~ CAPITAL GRANT PROGRAM.

~~(D) (1) FOR EACH FISCAL YEAR, FROM THE APPROPRIATION UNDER SUBSECTION (C) OF THIS SECTION, THE COUNCIL SHALL AWARD \$5,000,000 IN GRANTS UNDER THIS SUBSECTION.~~

~~(2) AN ORGANIZATION MAY APPLY FOR A GRANT UNDER THIS SUBSECTION IF THE ORGANIZATION:~~

~~(I) HAS AN OPERATING BUDGET OF MORE THAN \$3,000,000;~~  
AND

~~(II) PARTICIPATES IN THE COUNCIL'S GRANTS FOR ORGANIZATIONS PROGRAM OR COMMUNITY ARTS DEVELOPMENT PROGRAM.~~

~~(3) THE COUNCIL MAY AWARD A GRANT UNDER THIS SUBSECTION FOR THE EXPANSION OF, THE RENOVATION OF, OR MAJOR REPAIRS TO A FACILITY THAT IS OPERATED BY AN ORGANIZATION ELIGIBLE UNDER PARAGRAPH (2) OF THIS SUBSECTION TO APPLY FOR A GRANT.~~

~~(4) FOR ANY FISCAL YEAR, AN ORGANIZATION MAY NOT RECEIVE FROM THE COUNCIL A GRANT FOR A SINGLE PROJECT THAT EXCEEDS \$1,000,000.~~

1 ~~(5) AN ORGANIZATION THAT IS AWARDED A GRANT UNDER THIS~~  
2 ~~SUBSECTION SHALL MATCH AT LEAST 50% OF THE AMOUNT OF THE GRANT~~  
3 ~~AWARDED.~~

4 ~~(E) (D)~~ (1) FOR EACH FISCAL YEAR, ~~FROM THE~~ THE COUNCIL SHALL  
5 AWARD THE ENTIRE APPROPRIATION UNDER SUBSECTION (C) OF THIS SECTION,  
6 ~~THE COUNCIL SHALL AWARD \$5,000,000~~ IN GRANTS UNDER THIS ~~SUBSECTION~~  
7 SECTION.

8 (2) AN ORGANIZATION MAY APPLY FOR A GRANT UNDER THIS  
9 ~~SUBSECTION~~ SECTION IF THE ORGANIZATION HAS AN OPERATING BUDGET THAT IS  
10 LESS THAN \$3,000,000 AND PARTICIPATES IN THE COUNCIL'S GRANTS FOR  
11 ORGANIZATIONS PROGRAM OR COMMUNITY ARTS DEVELOPMENT PROGRAM.

12 (3) THE COUNCIL MAY AWARD A GRANT UNDER THIS ~~SUBSECTION~~  
13 SECTION FOR THE EXPANSION OF, THE RENOVATION OF, OR MAJOR REPAIRS TO A  
14 FACILITY OPERATED BY AN ORGANIZATION ELIGIBLE UNDER PARAGRAPH (2) OF  
15 THIS SUBSECTION TO APPLY FOR A GRANT.

16 (4) FOR ANY FISCAL YEAR, AN ORGANIZATION MAY NOT RECEIVE  
17 FROM THE COUNCIL A GRANT FOR A SINGLE PROJECT THAT EXCEEDS \$1,000,000.

18 (5) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS  
19 PARAGRAPH, AN ORGANIZATION THAT IS AWARDED A GRANT UNDER THIS  
20 ~~SUBSECTION~~ SECTION SHALL MATCH AT LEAST 25% OF THE AMOUNT OF THE GRANT  
21 AWARDED.

22 (II) FOR GOOD CAUSE SHOWN, THE COUNCIL MAY WAIVE THE  
23 REQUIREMENT TO PROVIDE A MATCH UNDER THIS PARAGRAPH.

24 ~~(F) (E)~~ (1) THE COUNCIL, IN CONSULTATION WITH THE DIVISION OF  
25 NEIGHBORHOOD REVITALIZATION IN THE DEPARTMENT OF HOUSING AND  
26 COMMUNITY DEVELOPMENT AND THE DEPARTMENT, SHALL ESTABLISH A  
27 COMPETITIVE APPLICATION PROCESS FOR THE GRANTS AUTHORIZED UNDER  
28 ~~SUBSECTIONS (D) AND (E) OF THIS SECTION.~~

29 (2) THE APPLICATION SHALL CONTAIN:

30 (I) THE PROJECT PLAN AND FULL BUDGET, INCLUDING THE  
31 USE OF THE MATCHING FUNDS;

32 (II) A DESCRIPTION OF THE NEIGHBORHOOD OR AREA WHERE  
33 THE PROJECT WILL BE LOCATED;

1 (III) A LETTER OF SUPPORT FROM THE LOCAL GOVERNING BODY  
2 REPRESENTING THE AREA IN WHICH THE PROJECT WILL BE LOCATED;

3 (IV) ORGANIZATIONAL DOCUMENTS FOR THE ORGANIZATION;  
4 AND

5 (V) ANY OTHER INFORMATION THAT THE COUNCIL REQUIRES.

6 ~~(E)~~ (F) THE DEPARTMENT, BY REGULATION, SHALL ESTABLISH A  
7 QUANTITATIVE SYSTEM TO EVALUATE EACH APPLICATION THAT TAKES INTO  
8 ACCOUNT:

9 (1) THE FULL PROJECT PLAN AND HOW THE PLAN RELATES TO:

10 (I) FULFILLING THE MISSION OF THE ORGANIZATION; AND

11 (II) ENHANCING THE COUNTY AND THE COMMUNITIES  
12 SURROUNDING THE PROJECT;

13 (2) THE CAPACITY OF THE APPLICANT OR PARTNERS OF THE  
14 APPLICANT TO COMPLETE THE PROJECT AND LEVERAGE NON-STATE FUNDING;

15 (3) THE ABILITY OF THE PROPOSED PROJECT TO ADDRESS  
16 IDENTIFIED CHALLENGES AT THE ORGANIZATION;

17 (4) A DESCRIPTION OF THE ORGANIZATION'S INCLUSIONARY HIRING  
18 PRACTICES THAT INCREASE LOCAL WORKFORCE OPPORTUNITIES; AND

19 (5) A PLAN TO MAKE THE PROJECT AVAILABLE FOR USE BY PEOPLE  
20 OF COLOR AND BY INDIVIDUALS LIVING BELOW THE FEDERAL POVERTY LEVEL.

21 ~~(H)~~ (G) (1) THE COUNCIL AND A GRANT RECIPIENT SHALL EXECUTE A  
22 PROGRAM AGREEMENT.

23 (2) THE GRANT RECIPIENT SHALL COMPLY WITH THE TERMS OF THE  
24 PROGRAM AGREEMENT.

25 (3) THE PROGRAM AGREEMENT MAY NOT ALLOW FOR MORE THAN  
26 15% OF THE AMOUNT OF THE GRANT TO BE USED FOR OPERATING EXPENSES.

27 (4) THE COUNCIL MAY EXERCISE ANY REMEDY AUTHORIZED BY LAW  
28 IF THE GRANT RECIPIENT:

29 (I) VIOLATES ANY PROVISION OF THE AGREEMENT; OR

1 (II) DOES NOT MEET ANY REQUIREMENT UNDER THIS SECTION.

2 (H) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT, BEFORE A  
3 LEGISLATIVE BOND INITIATIVE IS SUBMITTED ON BEHALF OF AN ORGANIZATION  
4 FOR A PROJECT THAT IS ELIGIBLE FOR A GRANT UNDER THIS SECTION, THE  
5 ORGANIZATION:

6 (1) APPLY FOR A GRANT UNDER THIS SECTION;

7 (2) RECEIVE A LETTER OF SUPPORT FROM THE EXECUTIVE DIRECTOR  
8 OF THE COUNCIL STATING THAT:

9 (I) THE PROJECT IS URGENT AND ANY FUNDING THE  
10 ORGANIZATION RECEIVES WILL BE SPENT IN THE NEXT FISCAL YEAR; AND

11 (II) THE ORGANIZATION HAS BEEN AWARDED A GRANT UNDER  
12 THIS SECTION; AND

13 (3) IS AUTHORIZED BY THE PRESIDENT OF THE SENATE AND THE  
14 SPEAKER OF THE HOUSE TO REQUEST A LEGISLATIVE BOND INITIATIVE.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
16 1, 2020.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.