

## Chapter 644

**(Senate Bill 901)**

AN ACT concerning

**Public Safety – Emergency Management – Resilient Maryland Revolving Loan Fund**

FOR the purpose of establishing the Resilient Maryland Revolving Loan Fund as a special, nonlapsing fund; establishing the purpose of the Fund; authorizing uses for the Fund; requiring certain loans to be for a fixed period; requiring the Maryland Emergency Management Agency (MEMA) to administer the Fund; requiring MEMA to prioritize making loans to certain projects; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; requiring investment of the money from the Fund; requiring interest earnings of the Fund to be credited to the Fund; exempting the Fund from a certain provision of law requiring interest earnings on State money to accrue to the General Fund of the State; specifying that money expended from the Fund is supplemental to certain other funds; authorizing loans from the Fund to be used to satisfy the nonfederal match for federal mitigation grants; requiring MEMA to establish application procedures and certain eligibility criteria for loans from the Fund; ~~requiring the Governor to include a certain amount in the annual budget bill beginning in a certain fiscal year for the Fund;~~ specifying the intent of the General Assembly that MEMA apply to the Federal Emergency Management Agency for certain funding; requiring MEMA to grant loans to local jurisdictions, at least in part, to meet certain federal matching requirements; defining a certain term; and generally relating to the Resilient Maryland Revolving Loan Fund.

BY adding to

Article – Public Safety

Section 14–110.4

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(i)

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)122. and 123.

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

BY adding to

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)124.

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

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

**Article – Public Safety**

**14–110.4.**

**(A) IN THIS SECTION, “FUND” MEANS THE RESILIENT MARYLAND REVOLVING LOAN FUND.**

**(B) THERE IS A RESILIENT MARYLAND REVOLVING LOAN FUND.**

**(C) THE PURPOSE OF THE FUND IS TO PROVIDE LOANS FOR LOCAL RESILIENCE PROJECTS THAT ADDRESS MITIGATION OF ALL HAZARDS, INCLUDING NATURAL DISASTERS.**

**(D) (1) THE FUND MAY BE USED ONLY TO PROVIDE LOW- OR NO-INTEREST LOANS TO LOCAL GOVERNMENTS AND NONPROFIT ORGANIZATIONS FOR LOCAL RESILIENCE PROJECTS.**

**(2) THE LOANS PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE FOR A FIXED LOAN PERIOD.**

**(E) THE MARYLAND EMERGENCY MANAGEMENT AGENCY SHALL ADMINISTER THE FUND.**

**(F) THE MARYLAND EMERGENCY MANAGEMENT AGENCY SHALL PRIORITIZE MAKING LOANS TO PROJECTS IT DETERMINES TO HAVE THE GREATEST IMPACT ON ELIMINATING HAZARDS.**

**(G) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT SHALL BE AVAILABLE IN PERPETUITY FOR THE PURPOSE OF PROVIDING LOANS IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION.**

**(2) THE FUND IS NOT SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

**(3) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

**(H) THE FUND CONSISTS OF:**

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

**(2) INVESTMENT AND INTEREST EARNINGS OF THE FUND;**

**(3) REPAYMENTS OF PRINCIPAL AND INTEREST FROM LOANS MADE FROM THE FUND; AND**

**(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.**

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

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

**(J) MONEY EXPENDED FROM THE FUND IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED TO LOCAL GOVERNMENTS FOR RESILIENCE PROJECTS.**

**(K) LOANS FROM THE FUND MAY BE USED TO SATISFY THE NONFEDERAL MATCH FOR FEDERAL MITIGATION GRANTS.**

**(L) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE MARYLAND EMERGENCY MANAGEMENT AGENCY SHALL ESTABLISH APPLICATION PROCEDURES AND ELIGIBILITY CRITERIA FOR LOANS FROM THE FUND.**

**(2) THE ELIGIBILITY CRITERIA SHALL REQUIRE THAT A LOCAL GOVERNMENT OR NONPROFIT ORGANIZATION DEMONSTRATE:**

**(I) NEED FOR A LOAN TO ADDRESS HAZARD MITIGATION; AND**

**(II) THE ABILITY TO REPAY THE LOAN, IF REQUIRED, AT A LATER DATE.**

~~**(M) FOR FISCAL YEAR 2023 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$5,000,000 FOR THE FUND.**~~

**Article – State Finance and Procurement**

6–226.

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

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

122. the Racing and Community Development Financing Fund;  
[and]

123. the Racing and Community Development Facilities Fund;  
AND

**124. THE RESILIENT MARYLAND REVOLVING LOAN FUND.**

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) It is the intent of the General Assembly that the Maryland Emergency Management Agency apply to the Federal Emergency Management Agency under the provisions of the federal Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act, when funding is available, to capitalize the revolving loan fund established under this Act with money appropriated to the Fund.

(b) The Maryland Emergency Management Agency shall grant loans under this Act to local jurisdictions, at least in part, to meet federal matching requirements for federal resilience grants, including Building Resilient Infrastructures and Communities.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ June 1, 2021.

**Enacted under Article II, § 17(c) of the Maryland Constitution, May 30, 2021.**