

Department of Legislative Services  
 Maryland General Assembly  
 2023 Session

FISCAL AND POLICY NOTE  
 Third Reader - Revised

House Bill 1243  
 Judiciary

(Delegate Attar, *et al.*)

Budget and Taxation

**Public Safety - Protecting Against Hate Crimes Grant Fund - Establishment**

This bill establishes the Protecting Against Hate Crimes Grant Fund, a special fund administered by the Executive Director of the Governor’s Office of Crime Prevention, Youth, and Victim Services (GOCPYVS), to make grants to nonprofit organizations, including faith-based organizations, to provide security enhancements to protect against hate crimes. For fiscal 2025 and each fiscal year thereafter, the Governor may include in the annual budget bill an appropriation of \$5.0 million to the fund. The bill establishes provisions regarding procedures for the distribution of grants and a related reporting requirement. **The bill takes effect July 1, 2023.**

**Fiscal Summary**

**State Effect:** General fund expenditures increase by \$5.0 million annually beginning in FY 2025, under one set of assumptions, to capitalize the fund. The FY 2024 budget as passed by the General Assembly includes \$5.0 million in general funds for an existing grant program that is largely codified by the bill; assuming those funds flow through the new special fund, special fund revenues increase by \$5.0 million in FY 2024 and \$10.0 million annually thereafter due to the receipt of the general funds appropriated to the program (reflecting \$5.0 million annually for the existing program plus the additional capitalization funding); special fund expenditures increase correspondingly to provide grants.

(\$ in millions)	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
SF Revenue	\$5.0	\$10.0	\$10.0	\$10.0	\$10.0
GF Expenditure	\$0	\$5.0	\$5.0	\$5.0	\$5.0
SF Expenditure	\$5.0	\$10.0	\$10.0	\$10.0	\$10.0
Net Effect	\$0.0	(\$5.0)	(\$5.0)	(\$5.0)	(\$5.0)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** None.

**Small Business Effect:** Potential meaningful.

## Analysis

**Bill Summary:** The fund consists of money appropriated in the State budget to the fund, any interest earnings of the fund, and any other money from any other source accepted for the benefit of the fund. The fund may be used only to make grants to nonprofit organizations, including faith-based organizations, to provide security enhancements to protect against hate crimes.

The Executive Director of GOCPYVS must (1) establish and publish procedures for the distribution of grants; (2) set aside a minimum of \$1.0 million each year for grants to faith-based organizations to increase security measures against faith-based hate crimes, with priority given to applicants that can demonstrate a high prevalence of hate crimes against members of and institutions representing the applicant's faith; and (3) report to the General Assembly on the distribution of funding before September 1 each year.

Expenditures from the fund may be made only in accordance with the State budget. Money expended from the fund for grants to nonprofit organizations, including faith-based organizations, to provide security enhancements to protect against hate crimes is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for providing nonprofit organizations, including faith-based organizations, with security enhancements to protect against hate crimes.

**Current Law:** The State's hate crimes statutes are contained in Title 10, Subtitle 3 of the Criminal Law Article, specifically §§ 10-302 (damaging property of a religious entity), 10-303 (obstructing exercise of religious beliefs), 10-304 (harassment or destruction of property), 10-305 (damage to an associated building), and 10-305.1 (prohibition on use of an item or symbol to threaten or intimidate).

### *Section 10-302 (Damaging Property of a Religious Entity)*

A person may not deface, damage, or destroy, or attempt or threaten to deface, damage, or destroy, personal or real property that is owned, leased, or used by a religious entity or for any religious purpose.

### *Section 10-303 (Obstructing Exercise of Religious Beliefs)*

A person may not, by force or threat of force, obstruct or attempt to obstruct another in the free exercise of that person's religious beliefs.

*Section 10-304 (Harassment or Destruction of Property)*

A person may not engage in the following acts motivated either in whole or in substantial part because another person or group is homeless or because of another person's or group's race, color, religious beliefs, sexual orientation, gender, gender identity, disability, or national origin:

- commit a crime or attempt or threaten to commit a crime against that person or group;
- deface, damage, or destroy, or attempt or threaten to deface, damage, or destroy, the real or personal property of that person or group;
- burn or attempt or threaten to burn an object on the real or personal property of that person or group;
- make or cause to be made a false statement, report, or complaint that the person knows to be false as a whole or in material part to a specified law enforcement officer, about that person or group with the intent to deceive and to cause an investigation or other action to be taken as a result of the statement, report, or complaint, in violation of § 9-501 of the Criminal Law Article; or
- commit any of these acts when the act involves a separate crime that is a felony or that results in the death of a victim.

*Section 10-305 (Damage to an Associated Building)*

A person may not deface, damage, or destroy; attempt or threaten to deface, damage, or destroy; burn or attempt or threaten to burn an object on; or damage the real or personal property connected to a building that is publicly or privately owned, leased, or used (1) because a person or group of a particular race, color, religious belief, sexual orientation, gender, gender identity, disability, or national origin, or because a person or group that is homeless, has contacts or is associated with the building or (2) if there is evidence that exhibits animosity against a person or group because of the race, color, religious beliefs, sexual orientation, gender, gender identity, disability, or national origin of that person or group or because that person or group is homeless.

*Section 10-305.1 (Prohibition on Use of an Item or Symbol to Threaten or Intimidate)*

A person may not place or inscribe an item or a symbol, including an actual or depicted noose or swastika, whether temporary or permanent, on any real or personal property, public or private, without the express permission of the owner or specific persons, with the intent to threaten or intimidate any person or group of persons.

## *Penalties*

In general, a person who violates these provisions is guilty of a misdemeanor, punishable by imprisonment for up to 3 years and/or a maximum fine of \$5,000. However, if a violation of § 10-304 involves a separate felony, the violator is guilty of a felony and is subject to imprisonment for up to 10 years and/or a fine of up to \$10,000. If a violation of § 10-304 results in the death of the victim, the violator is guilty of a felony and is subject to imprisonment for up to 20 years and/or a fine of up to \$20,000.

In addition to any other penalties imposed, the court may require a person to complete an antibias education program.

## *Governor's Office of Crime Prevention, Youth, and Victim Services*

GOCPYVS plans, promotes, and funds efforts with government entities, private organizations, and the community to advance public policy, enhance public safety, reduce crime and juvenile delinquency, and serve victims.

Among other grant programs, GOCPYVS administers the Protecting Against Hate Crimes Grant Program to provide support and security enhancements to nonprofit organizations, including faith-based organizations, that have facilities and membership that can be targeted for a hate crime. The fiscal 2024 budget as introduced includes \$5.0 million in general funds for the grant program.

**State Expenditures:** The bill largely codifies an existing grant program – the Protecting Against Hate Crimes Grant Program – administered by GOCPYVS. As noted above, the fiscal 2024 budget as passed by the General Assembly includes \$5.0 million in general funds for the existing grant program. Although the bill does not establish a mandated appropriation to the new special fund, the bill authorizes an appropriation of \$5.0 million annually beginning in fiscal 2025 for the fund and stipulates that money expended from the fund for grants to nonprofit organizations, including faith-based organizations, *is supplemental to and is not intended to take the place of funding that otherwise would be appropriated* for providing nonprofit organizations, including faith-based organizations, with security enhancements to protect against hate crimes. Accordingly, although not mandated, this analysis assumes that an *additional* \$5.0 million in general funds is provided each year for the grant program beginning in fiscal 2025 – on top of what the existing grant program would otherwise be appropriated. Thus, general fund expenditures increase by \$5.0 million annually beginning in fiscal 2025 to capitalize the fund.

Because the bill establishes a special fund for the grant program, special fund revenues and expenditures increase each year beginning in fiscal 2024; it is assumed that the general funds that are appropriated for the existing grant program – including the funding in the

fiscal 2024 budget as passed by the General Assembly – flow through the new special fund. (As noted above, it is also assumed that the existing grant program continues to be funded at \$5.0 million in future years, in addition to the funding authorized by the bill.) Accordingly, special fund revenues increase by \$5.0 million in fiscal 2024 and by \$10.0 million annually beginning in fiscal 2025, reflecting the receipt of the general funds appropriated to the program each year. Special fund expenditures increase correspondingly to provide grants.

GOCPYVS advises that one full-time coordinator is needed to administer the new special fund and provide grant awards. The Department of Legislative Services acknowledges that with the additional funding assumed to be appropriated to the program under the bill, the workload related to administering grants likely increases beginning in fiscal 2025. However, it is unclear at this time that the additional funding justifies the need for an additional position. To the extent existing staff cannot handle the increase in workload, GOCPYVS may request additional resources through the annual budget process.

**Small Business Effect:** Nonprofit organizations are not considered small businesses for purposes of fiscal and policy notes; however, the use of additional program grant funds by nonprofit organizations to provide security enhancements to protect against hate crimes likely benefits small for-profit businesses.

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### **Additional Information**

**Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** SB 840 (Senator Kramer, *et al.*) - Budget and Taxation.

**Information Source(s):** Governor’s Office of Crime Prevention, Youth, and Victim Services; Department of Budget and Management; Department of Legislative Services

**Fiscal Note History:** First Reader - March 5, 2023  
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Analysis by: Shirleen M. E. Pilgrim

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510