

SENATE BILL 16

M1, B1

(PRE-FILED)

5lr1476
CF 5lr1477

By: **Senator Corderman**

Requested: October 29, 2024

Introduced and read first time: January 8, 2025

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Natural Resources – Maryland Heritage Areas Authority – Funding and Grants**

3 FOR the purpose of establishing the maximum funding amount of certain grants made by
4 the Maryland Heritage Areas Authority; decreasing the percentage of Program Open
5 Space funds transferred to the Maryland Heritage Areas Authority Financing Fund
6 that may be used for certain operating expenses; increasing the maximum amount
7 of certain Program Open Space funds that may be transferred to the Maryland
8 Heritage Areas Authority Financing Fund; and generally relating to the Maryland
9 Heritage Areas Authority.

10 BY repealing and reenacting, with amendments,
11 Article – Financial Institutions
12 Section 13–1113 and 13–1114
13 Annotated Code of Maryland
14 (2020 Replacement Volume and 2024 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Natural Resources
17 Section 5–903(a)(1)(i)
18 Annotated Code of Maryland
19 (2023 Replacement Volume and 2024 Supplement)

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

Article – Financial Institutions

22
23 13–1113.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) As provided in the State budget, **AND SUBJECT TO SUBSECTION (E) OF THIS**
2 **SECTION**, the Authority may award:

3 (1) Grants and loans to local jurisdictions or other appropriate entities for
4 planning, design, acquisition, development, preservation, restoration, interpretation,
5 marketing, and programming of certified heritage areas; and

6 (2) Grants to local jurisdictions or other appropriate entities to develop
7 management plans in recognized heritage areas.

8 (b) A grant to develop a management plan may not exceed **[50%] 80%** of the cost
9 of the management plan.

10 (c) An acquisition or development grant:

11 (1) May not be used for any purpose other than implementation of the
12 certified heritage area in conformity with the approved management plan; and

13 (2) May not exceed **[50%] 80%** of the total project cost for which the grant
14 is awarded.

15 (d) (1) Subject to paragraph (2) of this subsection, the Authority may make
16 program grants to local jurisdictions and other appropriate entities:

17 (i) To develop and present interpretive exhibits, materials or other
18 appropriate products to further the educational and recreational objectives of the certified
19 heritage areas program; and

20 (ii) To encourage revitalization of, and reinvestment in, certified
21 heritage area resources.

22 (2) A program grant made by the Authority under paragraph (1) of this
23 subsection **[may]:**

24 **(I) MAY BE IN AN AMOUNT UP TO \$300,000; AND**

25 **(II) MAY not exceed [50%] 80% of the estimated project cost.**

26 (e) Through the resources of the members of the Authority and in cooperation
27 with other State agencies, the Authority shall provide technical assistance to management
28 entities implementing a management plan.

29 13-1114.

30 (a) There is a Maryland Heritage Areas Authority Financing Fund.

1 (b) (1) The Authority shall use the Fund as a continuing, nonlapsing, revolving
2 fund for carrying out the purposes of this subtitle.

3 (2) No part of the Fund may revert or be credited to the General Fund or
4 to any other special fund of the State.

5 (c) The Authority shall place all of the following receipts in the Fund:

6 (1) Proceeds from the sale of bonds;

7 (2) Revenues that the Authority collects or receives from any source under
8 this subtitle; and

9 (3) Any additional revenue, gift, donation, or money received or paid to it
10 from any other source authorized by law.

11 (d) The Authority shall pay all expenses and make all expenditures from the
12 Fund.

13 (e) (1) The Authority may pledge and charge all or a portion of the receipts of
14 the Fund for the payment of:

15 (i) Debt service on bonds of the Authority; and

16 (ii) All reasonable charges and expenses related to borrowing by the
17 Authority and management of the obligations of the Authority.

18 (2) A pledge made under paragraph (1) of this subsection is effective as
19 provided in § 13–1119 of this subtitle and any applicable resolution of the Authority.

20 (f) The State Treasurer shall:

21 (1) Invest and reinvest the Fund in the same manner as State funds; and

22 (2) Transfer any investment earnings to the credit of the Fund.

23 (g) (1) In this subsection, “Program Open Space funds transferred to the
24 Authority” means the money appropriated to the Fund from Program Open Space funds
25 under § 5–903(a) of the Natural Resources Article.

26 (2) Except as provided in paragraph (3) of this subsection, Program Open
27 Space funds transferred to the Authority may not be used to pay the operating expenses of
28 the Authority, debt service of bonds issued by the Authority, or administrative expenses
29 related to bonds issued by the Authority.

30 (3) (i) Up to ~~[10%]~~ **7%** of Program Open Space funds transferred to the
31 Authority may be used to pay the operating expenses of the Authority.

1 (ii) Up to 50% of Program Open Space funds transferred to the
2 Authority may be expended for debt service on bonds issued by the Authority.

3 (iii) For fiscal year 2012 only, an additional \$500,000 of Program
4 Open Space funds transferred to the Authority may be used to pay operating expenses in
5 the Department of Planning.

6 **Article – Natural Resources**

7 5–903.

8 (a) (1) (i) Of the funds distributed to Program Open Space under § 13–209
9 of the Tax – Property Article, up to ~~[\$3,000,000]~~ **\$12,000,000** may be transferred by an
10 appropriation in the State budget, or by an amendment to the State budget under Title 7,
11 Subtitle 2 of the State Finance and Procurement Article, to the Maryland Heritage Areas
12 Authority Financing Fund established under Title 13, Subtitle 11 of the Financial
13 Institutions Article to be used for the purposes provided in that subtitle.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
15 1, 2025.