

SENATE BILL 365

P1

EMERGENCY BILL

5lr0951
CF HB 541

By: **Senators Kagan, Sydnor, and M. Washington**

Introduced and read first time: January 17, 2025

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 25, 2025

CHAPTER _____

1 AN ACT concerning

2 **Department of Commerce – Nonprofit Organizations Navigator – Established**

3 FOR the purpose of establishing a nonprofit organizations navigator within the
4 Department of Commerce; specifying the duties of the navigator; altering the
5 composition and duties of the Maryland Efficient Grant Application Council; and
6 generally relating to the nonprofit organizations navigator and the Maryland
7 Efficient Grant Application Council.

8 BY adding to

9 Article – Economic Development

10 Section 2.5–110

11 Annotated Code of Maryland

12 (2024 Replacement Volume and 2024 Supplement)

13 BY repealing and reenacting, with amendments,

14 Article – State Finance and Procurement

15 Section 2–209 and 2–210

16 Annotated Code of Maryland

17 (2021 Replacement Volume and 2024 Supplement)

18 BY repealing

19 Chapter 28 of the Acts of the General Assembly of 2024

20 Section 2

21 BY repealing

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.



1 Chapter 29 of the Acts of the General Assembly of 2024
2 Section 2

3 BY repealing and reenacting, with amendments,
4 Article – Economic Development
5 Section 2.5–110
6 Annotated Code of Maryland
7 (2024 Replacement Volume and 2024 Supplement)
8 (As enacted by Section 1 of this Act)

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

11 **Article – Economic Development**

12 **2.5–110.**

13 (A) THERE IS A NONPROFIT ORGANIZATIONS NAVIGATOR IN THE
14 DEPARTMENT.

15 (B) THE SECRETARY SHALL DESIGNATE THE NAVIGATOR.

16 (C) THE NAVIGATOR SHALL:

17 (1) PROVIDE TECHNICAL ASSISTANCE TO NONPROFIT
18 ORGANIZATIONS IN OBTAINING ACCESS TO AND APPLYING FOR STATE GRANT
19 PROGRAMS;

20 (2) WORK WITH NONPROFIT ORGANIZATIONS AND UNITS OF STATE
21 GOVERNMENT TO RESOLVE PROCEDURAL COMPLEXITIES AND DELAYS IN STATE
22 GRANT-MAKING PROCESSES;

23 (3) COLLECT AND SHARE INFORMATION ON OPPORTUNITIES FOR
24 FEDERAL, STATE, AND LOCAL GRANTS WITH NONPROFIT ORGANIZATIONS; AND

25 (4) REPRESENT NONPROFIT ORGANIZATIONS' INTERESTS AND
26 CONCERNS AS A MEMBER OF THE MARYLAND EFFICIENT GRANT APPLICATION
27 COUNCIL ESTABLISHED UNDER § 2–209 OF THE STATE FINANCE AND
28 PROCUREMENT ARTICLE.

29 (D) THE NAVIGATOR MAY NOT PROVIDE SERVICES TO A NONPROFIT
30 ORGANIZATION IN THE STATE THAT PROVIDES A TOTAL ANNUAL COMPENSATION
31 EXCEEDING \$250,000 TO ANY SINGLE SALARIED EMPLOYEE.

32 **Article – State Finance and Procurement**

1 2-209.

2 (a) In this section, "Council" means the Maryland Efficient Grant Application
3 Council.

4 (b) There is a Maryland Efficient Grant Application Council.

5 (c) (1) The Council consists of the following members:

6 (i) the Chief Procurement Officer, or the Chief Procurement
7 Officer's designee;

8 (ii) the State Treasurer, or the State Treasurer's designee;

9 (iii) the Comptroller, or the Comptroller's designee;

10 (iv) the Attorney General, or the Attorney General's designee;

11 (v) the Secretary of Budget and Management, or the Secretary's
12 designee;

13 (vi) the Secretary of Health, or the Secretary's designee;

14 (vii) the Secretary of Human Services, or the Secretary's designee;

15 (viii) the Secretary of Housing and Community Development, or the
16 Secretary's designee;

17 (ix) the Secretary of Agriculture, or the Secretary's designee;

18 (x) the Secretary of the Environment, or the Secretary's designee;

19 (xi) the State Superintendent of Schools, or the State
20 Superintendent's designee;

21 (xii) the Director of the Maryland Energy Administration, or the
22 Director's designee;

23 (xiii) the Executive Director of the Governor's Office of Crime
24 Prevention and Policy, or the Executive Director's designee;

25 (xiv) the chair of the Maryland Higher Education Commission, or the
26 chair's designee;

27 (xv) the Secretary of Natural Resources, or the Secretary's designee;

1 (xvi) THE NONPROFIT ORGANIZATIONS NAVIGATOR, OR THE
2 NAVIGATOR'S DESIGNEE, WHO SHALL SERVE AS A NONVOTING MEMBER;

3 (XVII) a representative from the Maryland Association of
4 Counties;

5 [(xvii)] (XVIII) a representative from the Maryland Municipal
6 League;

7 [(xviii)] (XIX) five representatives of private nonprofit
8 organizations with experience providing services funded by State or federal grants and that
9 reflect the size and diversity of the nonprofit grant recipients in the State, appointed by the
10 Governor;

11 [(xix)] (XX) one representative of a private nonprofit organization,
12 appointed by the President of the Senate; and

13 [(xx)] (XXI) one representative of a private nonprofit organization,
14 appointed by the Speaker of the House.

15 (2) (i) This paragraph applies to members of the Council appointed
16 under paragraph [(1)(xviii)] (1)(XIX) of this subsection.

17 (ii) The term of a member is 4 years.

18 (iii) The terms of members are staggered as required by the terms
19 provided for members of the Council on July 1, 2020.

20 (iv) At the end of a term, a member continues to serve until a
21 successor is appointed and qualifies.

22 (v) A member who is appointed after a term has begun serves only
23 for the rest of the term and until a successor is appointed and qualifies.

24 (vi) The Governor may remove a member for neglect of duty,
25 incompetence or misconduct.

26 (d) The Secretary of Budget and Management, or the Secretary's designee shall
27 serve as Chair of the Council.

28 (e) The staffing responsibilities of the Council shall be shared by the agencies
29 represented on the Council.

30 (f) A member of the Council:

31 (1) may not receive compensation as a member of the Council; but

1 (2) is entitled to reimbursement for expenses under the Standard State
2 Travel Regulations, as provided in the State Budget.

3 (g) The Council shall:

4 (1) advise the Department of Budget and Management on the
5 implementation of § 2–210 of this subtitle; and

6 (2) monitor and report to the Department of Budget and Management on
7 the State’s progress towards implementing § 2–210 of this subtitle.

8 2–210.

9 (a) (1) In this section the following words have the meanings indicated.

10 (2) “Council” means the Maryland Efficient Grant Application Council
11 established under § 2–209 of this subtitle.

12 (3) “Department” means the Department of Budget and Management.

13 (4) (i) “Grant” means a legal instrument of financial assistance
14 between a State grant–making entity and a non–State entity that is:

15 1. used to enter into a relationship the principal purpose of
16 which is to transfer anything of value from the grant–making entity to the grant recipient
17 to carry out a public purpose authorized by law and not to acquire property or services for
18 the direct benefit or use of the grant–making entity; and

19 2. distinguished from a cooperative agreement in that it does
20 not provide for substantial involvement between the grant–making entity and the grant
21 recipient in carrying out the activity contemplated by the award.

22 (ii) “Grant” does not include an instrument that provides only:

23 1. direct government cash assistance to an individual;

24 2. a subsidy;

25 3. a loan;

26 4. a loan guarantee;

27 5. insurance;

1 6. grants made by the State higher education system, the
2 capital budget, the Department of Transportation, or the Maryland Technology
3 Development Corporation;

4 7. business development grants made by the Department of
5 Commerce; or

6 8. any State funding that is required annually and is
7 calculated through a formula set in statute.

8 (5) “Grant application form” means a grant application template and
9 related materials required to be submitted by grant applicants, including:

10 (i) required organizational materials; and

11 (ii) proposed budget categories and line items.

12 (6) “Uniform Guidance” means the Office of Management and Budget
13 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for
14 Federal Awards, 2 C.F.R. Part 200.

15 (b) (1) In order to improve efficiency, streamline and reduce redundant
16 processes, reduce paperwork and administrative burdens on both granting agencies and
17 grant recipients, and facilitate development and implementation of a statewide centralized
18 grants management and accountability system, the Council shall study and make
19 recommendations to the Department regarding the entire grants life cycle, including:

20 (i) the creation of the following materials for use by grant-making
21 agencies, grant applicants, and grant recipients in the State:

22 1. a uniform grant application form;

23 2. uniform financial controls and reporting requirements for
24 grant recipients; and

25 3. uniform performance progress reporting requirements for
26 grant recipients;

27 (ii) [the creation of a State Grants Ombudsperson to provide
28 technical assistance with:

29 1. accessing and navigating State grant programs;

30 2. resolving delays in the grant-making process; and

31 3. collecting and disseminating information on opportunities
32 for grants from federal, State, and local government;

1 (iii)] regulations adopting each part of the uniform guidance, with
2 appropriate modifications for its application to grant-making entities in the State,
3 including modifications or variances based on the scope or size of particular grant
4 programs, grant-making entities, or grantees;

5 [(iv)] (III) recommended timeframes and deadlines for the various
6 tasks included in items (i) [through (iii)] AND (II) of this paragraph;

7 [(v)] (IV) recommended deadlines for use and implementation by
8 the various grant-making entities of the materials prepared in accordance with item (i) of
9 this paragraph; and

10 [(vi)] (V) recommended deadlines for grant-making entities to
11 administer State and federal grants in accordance with the provisions of parts of uniform
12 guidance as adopted by the Department by regulation.

13 (2) In developing materials and recommendations under this subsection,
14 the Council shall:

15 (i) solicit the input of diverse stakeholders, including grant-making
16 agencies and organizations representing local governments, grant professionals, experts in
17 nonprofit accounting and auditing, and nonprofit service providers; and

18 (ii) establish one or more issue working groups, composed of
19 stakeholders representing diverse backgrounds appropriate to the charge of each
20 workgroup, and also reflecting the demographic diversity of the State and the diversity of
21 grant programs and grant recipients, including arts, history, and social service, to
22 participate in and facilitate the process of developing recommendations.

23 (c) On or before July 1, 2027, the Council shall submit a report on its full
24 recommendations as required by subsection (b)(1) of this section to the Department and the
25 General Assembly, in accordance with § 2-1257 of the State Government Article.

26 (d) On or before October 1, 2020, each State grant-making agency shall appoint
27 a Chief Accountability Officer who shall:

28 (1) serve as a liaison to the Council and the Department; and

29 (2) be responsible for the agency's representation and participation in the
30 process established under this section.

31 (e) The Department shall provide technical assistance and interpretations of
32 policy requirements in order to ensure the effective and efficient implementation of this
33 section.

1 [SECTION 2. AND BE IT FURTHER ENACTED, That:

2 (a) The Maryland Efficient Grant Application Council shall:

3 (1) study the feasibility, cost, and impacts of designating a State Grants
4 Ombudsperson in accordance with § 2–210(b)(1)(ii) of the State Finance and Procurement
5 Article, as enacted by Section 1 of this Act; and

6 (2) on or before July 1, 2025, make recommendations regarding the
7 designation of a State Grants Ombudsperson, including recommended timelines and
8 deadlines, to the Department of Budget and Management.

9 (b) On or before December 31, 2025, the Department of Budget and Management
10 shall, in accordance with § 2–1257 of the State Government Article, report to the General
11 Assembly on the recommendations made by the Maryland Efficient Grant Application
12 Council under subsection (a) of this section.]

13 **Chapter 29 of the Acts of 2024**

14 [SECTION 2. AND BE IT FURTHER ENACTED, That:

15 (a) The Maryland Efficient Grant Application Council shall:

16 (1) study the feasibility, cost, and impacts of designating a State Grants
17 Ombudsperson in accordance with § 2–210(b)(1)(ii) of the State Finance and Procurement
18 Article, as enacted by Section 1 of this Act; and

19 (2) on or before July 1, 2025, make recommendations regarding the
20 designation of a State Grants Ombudsperson, including recommended timelines and
21 deadlines, to the Department of Budget and Management.

22 (b) On or before December 31, 2025, the Department of Budget and Management
23 shall, in accordance with § 2–1257 of the State Government Article, report to the General
24 Assembly on the recommendations made by the Maryland Efficient Grant Application
25 Council under subsection (a) of this section.]

26 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
27 as follows:

28 **Article – Economic Development**

29 2.5–110.

30 (a) There is a nonprofit organizations navigator in the Department.

31 (b) The Secretary shall designate the navigator.

1 (c) The navigator shall:

2 (1) provide technical assistance to nonprofit organizations in obtaining
3 access to and applying for State grant programs;

4 (2) work with nonprofit organizations and units of State government to
5 resolve procedural complexities and delays in State grant-making processes; **AND**

6 (3) collect and share information on opportunities for federal, State, and
7 local grants with nonprofit organizations[]; and

8 (4) represent nonprofit organizations' interests and concerns as a member
9 of the Maryland Efficient Grant Application Council established under § 2-209 of the State
10 Finance and Procurement Article].

11 SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General
12 Assembly that the nonprofit organization navigator position established under Section 1 of
13 this Act shall be filled on or before ~~January 1, 2026~~ July 1, 2025.

14 SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take
15 effect on the taking effect of the termination provision specified in Section 4 of Chapters
16 484 and 485 of the Acts of the General Assembly of 2020. If the termination date of Chapters
17 484 or 485 is amended, Section 2 of this Act shall take effect on the termination of Chapters
18 484 or 485. This Act may not be interpreted to have any effect on that termination provision.

19 SECTION 5. AND BE IT FURTHER ENACTED, That:

20 (a) On or before January 1, 2027, the Department of Commerce shall report to
21 the Senate Finance Committee and the House Health and Government Operations
22 Committee, in accordance with § 2-1257 of the State Government Article, on the following
23 information for fiscal year 2026:

24 (1) the number of nonprofit organizations that received technical
25 assistance from the navigator in accordance with Section 1 of this Act;

26 (2) the total number of grant applications completed and submitted by
27 nonprofit organizations in the State as a result of receiving technical assistance from the
28 navigator in accordance with Section 1 of this Act;

29 (3) the total amount of grant funds awarded to nonprofit organizations in
30 the State as a result of receiving technical assistance from the navigator in accordance with
31 Section 1 of this Act; and

32 (4) any findings and recommendations of the Department regarding the
33 implementation of Section 1 of this Act.

1 **(b) The Department shall collect sufficient information from the nonprofit**
2 **organizations that receive technical assistance in accordance with Section 1 of this Act to**
3 **complete the report required under subsection (a) of this section.**

4 **SECTION 6. AND BE IT FURTHER ENACTED, That, except as provided in Section**
5 **4 of this Act, this Act ~~shall take effect July 1, 2025~~ is an emergency measure, is necessary**
6 **for the immediate preservation of the public health or safety, has been passed by a ye and**
7 **may vote supported by three-fifths of all the members elected to each of the two Houses of**
8 **the General Assembly, and shall take effect from the date it is enacted. It shall remain**
9 **effective through June 30, 2027, and, at the end of June 30, 2027, this Act, with no further**
10 **action required by the General Assembly, shall be abrogated and of no further force and**
11 **effect.**

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.