4lr1927 CF SB 137

By: Delegates McIntosh, Carr, Eckardt, Fraser-Hidalgo, Gilchrist, Haddaway-Riccio, Jacobs, Murphy, Niemann, Otto, Stein, Wilson, and Wood

Introduced and read first time: February 6, 2014 Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

Rural Maryland Prosperity Investment Fund – Revisions and Extension of Termination Date

- 4FOR the purpose of altering certain findings of the General Assembly regarding the $\mathbf{5}$ Rural Maryland Prosperity Investment Fund; altering the fiscal year through 6 which the Governor is authorized to include an appropriation in the budget bill 7 for the Fund; altering the manner in which disbursements of money 8 appropriated to the Fund are required to be made; requiring that any money 9 received by a regional council under a certain provision of law be used for a 10 certain purpose; altering a certain provision of law to require that only certain 11 grants, rather than all grants, made by the Maryland Agricultural Education and Rural Development Assistance Board from the Fund be made on a 12competitive basis in accordance with a certain process; extending the 13 14termination date of the Fund; making conforming changes; making a technical 15correction; and generally relating to the Rural Maryland Prosperity Investment 16 Fund.
- 17 BY repealing and reenacting, with amendments,
- 18 Article State Finance and Procurement
- 19 Section 2–207
- 20 Annotated Code of Maryland
- 21 (2009 Replacement Volume and 2013 Supplement)
- 22 BY repealing and reenacting, with amendments,
- 23 Chapter 621 of the Acts of the General Assembly of 2006
- 24 Section 2

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.



C8

²⁵ SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 26 MARYLAND, That the Laws of Maryland read as follows:

| | 2 HOUSE BILL 1024 | | | | | | | |
|---|--|---|--|--|--|--|--|--|
| 1 | Article – State Finance and Procurement | | | | | | | |
| 2 | 2–207. | | | | | | | |
| 3 | (a) (1) | In thi | s section the following words have the meanings indicated. | | | | | |
| $4 \\ 5 \\ 6$ | | (2) "Agriculture" means the commercial production, storage, sing, marketing, distribution, or export of an agronomic, aquacultural, equine, tural, horticultural, ornamental, silvicultural, or viticultural crop, including: | | | | | | |
| 7 | | (i) | farm products; | | | | | |
| 8 | | (ii) | livestock and livestock products; | | | | | |
| 9 | | (iii) | poultry and poultry products; | | | | | |
| 10 | | (iv) | milk and dairy products; | | | | | |
| 11 | | (v) | timber and forest products; | | | | | |
| 12 | | (vi) | fruit and horticultural products; and | | | | | |
| 13 | | (vii) | seafood and aquacultural products. | | | | | |
| $\begin{array}{c} 14 \\ 15 \end{array}$ | (3) "Board" means the Maryland Agricultural Education and Rural Development Assistance Board established under § 2–206(e) of this subtitle. | | | | | | | |
| $\begin{array}{c} 16 \\ 17 \end{array}$ | (4) "Council" means the Rural Maryland Council established under Title 13, Subtitle 4 of the Economic Development Article. | | | | | | | |
| 18 19 | (5) "Fund" means the Rural Maryland Prosperity Investment Fund established under this section. | | | | | | | |
| 20 | (6) "Regional councils" means: | | | | | | | |
| 21 | | (i) | the Mid–Shore Regional Council; | | | | | |
| $\frac{22}{23}$ | (ii) the [Lower Eastern Shore Regional Council] TRI-COUNTY COUNCIL FOR THE LOWER EASTERN SHORE OF MARYLAND ; | | | | | | | |
| 24 | | (iii) | the Tri–County Council for Southern Maryland; | | | | | |
| 25 | | (iv) | the Tri–County Council for Western Maryland; and | | | | | |
| 26 | | (v) | the Upper Shore Regional Council. | | | | | |

| 1 | | (7) | "Rure | ural area" means: | | | | |
|---|--|-----|-------|-------------------------|--|--|--|--|
| 2 | | | (i) | the following counties: | | | | |
| 3 | | | | 1. | Allegany; | | | |
| 4 | | | | 2. | Calvert; | | | |
| 5 | | | | 3. | Caroline; | | | |
| 6 | | | | 4. | Carroll; | | | |
| 7 | | | | 5. | Cecil; | | | |
| 8 | | | | 6. | Charles; | | | |
| 9 | | | | 7. | Dorchester; | | | |
| 10 | | | | 8. | Frederick; | | | |
| 11 | | | | 9. | Garrett; | | | |
| 12 | | | | 10. | Harford; | | | |
| 13 | | | | 11. | Kent; | | | |
| 14 | | | | 12. | Queen Anne's; | | | |
| 15 | | | | 13. | St. Mary's; | | | |
| 16 | | | | 14. | Somerset; | | | |
| 17 | | | | 15. | Talbot; | | | |
| 18 | | | | 16. | Washington; | | | |
| 19 | | | | 17. | Wicomico; and | | | |
| 20 | | | | 18. | Worcester; and | | | |
| $\begin{array}{c} 21 \\ 22 \end{array}$ | activity. | | (ii) | portio | ons of other counties in close proximity to agricultural | | | |
| $\begin{array}{c} 23\\ 24 \end{array}$ | (8) "Rural community" means an incorporated or unincorporated area of a county or group of counties in a rural area. | | | | | | | |
| 25 | (b) The General Assembly finds that: | | | | | | | |

1 (1) many rural communities in the State face a host of difficult 2 challenges relating to persistent unemployment and poverty, changing technological 3 and economic conditions, an aging population and an out-migration of youth, 4 inadequate access to quality housing, health care and other services, and deteriorating 5 or inadequate transportation, communications, sanitation, and economic development 6 infrastructure;

7 (2) Maryland's agricultural and resource-based industries continue to 8 underpin the local economies of rural communities but are increasingly under threat 9 from national and international market competition, urban encroachment and land 10 development pressure, and environmental and regulatory influences;

11 (3) local governments, regional organizations, educational institutions, 12 and private sector service providers have been unable to meet all the economic 13 development, community development, **HEALTH CARE**, and human services needs of 14 Maryland residents in the rural counties and municipal corporations because of a lack 15 of adequate available capacity and resources;

16 (4) the objective of the Rural Maryland Prosperity Investment Fund is 17 to help raise the overall standard of living in rural areas to a level that meets or 18 exceeds statewide benchmark averages by [2020] **2030**, while preserving the best 19 aspects of a pastoral heritage and rural way of life;

20 (5) resources provided to the Fund are designed to facilitate 21 significant targeted investments in important economic, **HEALTH CARE**, and 22 community development programs and promote regional and intergovernmental 23 cooperation;

(6) these investments will also enable local and regional public and
nonprofit organizations to leverage additional nonstate financial and human resources
to facilitate the realization of sustainable rural development objectives while the
program is in effect; and

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(7) the Fund will serve the interests of the entire State by:

29 (i) encouraging the increase of entrepreneurial activity and
 30 commerce and a balanced economy in the State;

(ii) relieving conditions of unemployment and underemployment
 in rural areas;

(iii) assisting in the retention of valuable farm and forest land
 for productive use by present and future generations;

35 (iv) promoting intergovernmental cooperation and public 36 sector/private sector partnerships in and between rural and other areas;

enhancing the deployment of housing, transportation, water, 1 (v) $\mathbf{2}$ wastewater, and broadband communications infrastructure and services in rural 3 areas; 4 (vi) supporting rural commercial center redevelopment and $\mathbf{5}$ community revitalization efforts; and 6 (vii) generally promoting the health, happiness, safety. 7employment opportunity, and general welfare of the residents of each of the rural counties and municipal corporations of the State. 8 9 There is a Rural Maryland Prosperity Investment Fund. (c) (1)10 The Fund is administered by the Rural Maryland Council with the (2)11 assistance of the Board. 12(3)The purpose of the Fund is to provide funding to rural regional and 13statewide planning and development organizations, institutions of higher education serving rural communities, rural community development organizations, and local 1415governments acting in partnership with one another to promote the quality of life in 16 rural areas. 17(d) Each year, beginning in fiscal year 2008 and continuing through fiscal 18 vear [2020] **2030**, the Governor may include an appropriation in the budget bill for 19the Fund. 20The Fund is a special, nonlapsing fund that is not subject to (e) (1)21reversion under § 7–302 of this article. 22The Treasurer shall separately hold and the Comptroller shall (2)23account for the Fund. 24(3)The Treasurer may invest money in the Fund in the same manner 25as other State money may be invested. 26[Disbursements] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF (f) (1) 27THIS SUBSECTION, DISBURSEMENTS of money appropriated to the Fund shall be 28allocated [equally among the following categories] IN THE FOLLOWING MANNER: 29**[**(1)**] (I)** ONE-THIRD SHALL BE ALLOCATED EQUALLY TO THE 30 FIVE REGIONAL COUNCILS AS GRANTS FOR rural regional planning and 31development assistance, by targeting support to the:

32 [(i)] **1.** regional councils serving rural areas; and

 [(ii)] 2. multicounty efforts serving rural communities in areas not served by the regional councils; AND
 (II) THE REMAINING TWO-THIRDS SHALL BE ALLOCATED
 EQUALLY AS GRANTS AMONG THE FOLLOWING CATEGORIES:

5 [(2)] 1. regional infrastructure projects that directly involve 6 two or more units of local government, not to exceed one-fourth of the total cost of any 7 particular project;

8 [(3)] **2.** rural entrepreneurship development, including 9 programs and activities serving rural communities undertaken by nonprofit 10 organizations and institutions of higher education; [and]

11 [(4)] **3.** rural community development, programmatic 12 assistance, and education, with money to be divided equally between the Council and 13 the Maryland Agricultural Education and Rural Development Assistance Fund; AND

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4. RURAL HEALTH CARE ORGANIZATIONS.

15 (2) IF IN ANY FISCAL YEAR REVENUES APPROPRIATED TO THE 16 FUND ARE INSUFFICIENT TO FULLY FUND ALL GRANTS UNDER PARAGRAPH (1) 17 OF THIS SUBSECTION, DISBURSEMENTS OF MONEY APPROPRIATED TO THE 18 FUND SHALL BE ALLOCATED AS FOLLOWS:

19(I) \$500,000 SHALL BE ALLOCATED TO THE COUNCIL, OF20WHICH:

211. \$250,000 SHALL BE USED TO SUPPORT THE22OPERATIONS OF THE COUNCIL; AND

232. \$250,000 SHALL BE TO ALLOCATED THE 24AGRICULTURAL **EDUCATION** MARYLAND AND RURAL DEVELOPMENT ASSISTANCE FUND ESTABLISHED UNDER § 2–206 OF THIS SUBTITLE; AND 25

26(II) THE REMAINING DISBURSEMENTS OF MONEY27APPROPRIATED TO THE FUND SHALL BE ALLOCATED IN THE MANNER28DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.

(g) (1) ANY MONEY RECEIVED BY A REGIONAL COUNCIL UNDER
SUBSECTION (F)(1)(I) OF THIS SECTION SHALL BE USED TO BENEFIT RURAL
AREAS AS THE REGIONAL COUNCIL DETERMINES.

1 (2) **(I)** Subject to paragraph (2)of this subsection $\mathbf{2}$ SUBPARAGRAPH (II) OF THIS PARAGRAPH, the Board shall award grants from the 3 Fund UNDER SUBSECTION (F)(1)(II) OF THIS SECTION on a competitive basis in 4 accordance with the procedures in § 2-206(e) of this subtitle. $\mathbf{5}$ [(2)] **(II)** Any money received by the Council under subsection [(f)] 6 (F)(1)(II) of this section shall be used to help administer the Fund and perform other 7functions that benefit rural areas as the Council determines. 8 A grant recipient (3)shall submit to the Council written 9 documentation of how the grant recipient spent or otherwise used the grant. 10 (h) The Board may reallocate money from one category listed in subsection 11 [(f)] (F)(1)(II) of this section to another category only if there is a lack of sufficient 12applications requesting use of money in a particular category. 13(i) (1)On or before October 1 of each year, the Council shall submit a report to the Governor and, in accordance with § 2-1246 of the State Government 14Article, the General Assembly. 1516 (2)The report shall summarize the activities of the Fund during the 17preceding fiscal year, including: 18 (i) the number of grants made during the fiscal year; 19the names of the recipients of the grants; (ii) 20the specific purpose of each grant awarded; and (iii) 21(iv) documentation of how the grant recipient spent or otherwise 22used the grant. 23Chapter 621 of the Acts of 2006 24SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 25July 1, 2006. It shall remain effective for a period of [14] 24 years and, at the end of June 30, [2020] **2030**, with no further action required by the General Assembly, this 2627Act shall be abrogated and of no further force and effect. 28SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 29July 1, 2014.