

HOUSE BILL 686

C8

6lr0351
CF SB 559

By: **Delegates Hammen, Anderson, Branch, Busch, Carey, Carter, Clippinger, Conaway, Glenn, Hayes, Haynes, Lafferty, Lierman, Lisanti, McCray, McIntosh, Oaks, Pena–Melnyk, Pendergrass, B. Robinson, S. Robinson, Rosenberg, Smith, Sophocleus, Walker, M. Washington, West, and P. Young**
Introduced and read first time: February 4, 2016
Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Department of Housing and Community Development – Strategic Demolition**
3 **and Smart Growth Impact Fund – Establishment**

4 FOR the purpose of establishing the Strategic Demolition and Smart Growth Impact Fund
5 as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the
6 Department of Housing and Community Development to administer the Fund;
7 requiring the State Treasurer to hold the Fund and the Comptroller to account for
8 the Fund; specifying the contents of the Fund; specifying the purposes for which the
9 Fund may be used; providing for the investment of money in and expenditures from
10 the Fund; requiring interest earnings of the Fund to be credited to the Fund;
11 beginning in a certain fiscal year, requiring the Governor to include in the annual
12 budget bill an appropriation of a certain amount to the Fund; exempting the Fund
13 from a certain provision of law requiring interest on State money in special funds to
14 accrue to the General Fund of the State; defining a certain term; and generally
15 relating to the Strategic Demolition and Smart Growth Impact Fund in the
16 Department of Housing and Community Development.

17 BY adding to
18 Article – Housing and Community Development
19 Section 4–508
20 Annotated Code of Maryland
21 (2006 Volume and 2015 Supplement)

22 BY repealing and reenacting, without amendments,
23 Article – State Finance and Procurement
24 Section 6–226(a)(2)(i)
25 Annotated Code of Maryland
26 (2015 Replacement Volume)

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



1 BY repealing and reenacting, with amendments,
2 Article – State Finance and Procurement
3 Section 6–226(a)(2)(ii)84. and 85.
4 Annotated Code of Maryland
5 (2015 Replacement Volume)

6 BY adding to
7 Article – State Finance and Procurement
8 Section 6–226(a)(2)(ii)86.
9 Annotated Code of Maryland
10 (2015 Replacement Volume)

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

13 **Article – Housing and Community Development**

14 **4–508.**

15 **(A) IN THIS SECTION, “FUND” MEANS THE STRATEGIC DEMOLITION AND**
16 **SMART GROWTH IMPACT FUND.**

17 **(B) THERE IS A STRATEGIC DEMOLITION AND SMART GROWTH IMPACT**
18 **FUND.**

19 **(C) THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS AND LOANS TO**
20 **ASSIST IN PREDEVELOPMENT ACTIVITIES, INCLUDING DEMOLITION, LAND**
21 **ASSEMBLY, ARCHITECTURE AND ENGINEERING, AND SITE DEVELOPMENT FOR**
22 **REVITALIZATION PROJECTS IN DESIGNATED AREAS OF THE STATE.**

23 **(D) THE DEPARTMENT SHALL ADMINISTER THE FUND.**

24 **(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
25 **SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

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

28 **(F) THE FUND CONSISTS OF:**

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

30 **(2) REPAYMENTS OF LOANS MADE FROM THE FUND;**

1 **(3) INTEREST EARNINGS OF THE FUND; AND**

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

4 **(G) (1) THE FUND MAY BE USED ONLY TO PROVIDE GRANTS AND LOANS**
5 **TO GOVERNMENT AGENCIES AND COMMUNITY DEVELOPMENT ORGANIZATIONS FOR**
6 **DEMOLITION, LAND ASSEMBLY, ARCHITECTURE AND ENGINEERING, AND SITE**
7 **DEVELOPMENT FOR REVITALIZATION PROJECTS IN AN AREA DESIGNATED AS A**
8 **SUSTAINABLE COMMUNITY.**

9 **(2) THE DEPARTMENT SHALL AWARD GRANTS AND LOANS FROM THE**
10 **FUND ON A COMPETITIVE BASIS.**

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

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

15 **(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**
16 **WITH THE STATE BUDGET.**

17 **(J) FOR FISCAL YEAR 2018 AND EACH FISCAL YEAR THEREAFTER, THE**
18 **GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF**
19 **\$20,000,000 TO THE FUND.**

20 **Article – State Finance and Procurement**

21 6–226.

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

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

30 84. the Economic Development Marketing Fund; [and]

31 85. the Military Personnel and Veteran–Owned Small
32 Business No–Interest Loan Fund; AND

