# HOUSE BILL 1400

(6lr1487)

#### **ENROLLED BILL**

- Environment and Transportation/Budget and Taxation -

Introduced by Delegates Glenn, Hayes, Anderson, B. Barnes, Barron, Beidle, Branch, Bromwell, Brooks, Carter, Clippinger, Conaway, Davis, Ebersole, Frick, Gilchrist, Hammen, Haynes, Hettleman, Hill, Holmes, Korman, Lafferty, Lam, Lierman, Luedtke, McCray, McIntosh, A. Miller, Moon, Morales, Morhaim, Oaks, Pena-Melnyk, Platt, Reznik, B. Robinson, S. Robinson, Rosenberg, Sanchez, Smith, Stein, Tarlau, Valderrama, Waldstreicher, A. Washington, M. Washington, <del>and K. Young</del> K. Young, and Jalisi

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_M.

Speaker.

CHAPTER

1 AN ACT concerning

#### $\mathbf{2}$

# Seed Community Development Anchor Institution Fund

3 FOR the purpose of establishing the Seed Community Development Anchor Institution Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the 4  $\mathbf{5}$ Department of Housing and Community Development to administer the Fund; 6 requiring the State Treasurer to hold the Fund and the Comptroller to account for 7 the Fund; specifying the contents of the Fund; specifying the purpose for which the 8 Fund may be used; specifying certain eligibility criteria and a certain process for

#### 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.

Italics indicate opposite chamber/conference committee amendments.

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#### HOUSE BILL 1400

1 awarding grants and loans from the Fund; providing for the investment of money in  $\mathbf{2}$ and expenditures from the Fund; requiring interest earnings of the Fund to be 3 credited to the Fund; beginning in a certain fiscal year, requiring the Governor to 4 include in the annual budget bill an appropriation of a certain amount to the Fund  $\mathbf{5}$ for certain fiscal years; exempting the Fund from a certain provision of law requiring 6 interest on State money in special funds to accrue to the General Fund of the State; 7 defining certain terms; and generally relating to the Seed Community Development Anchor Institution Fund in the Department of Housing and Community 8 9 Development.

- 10 BY adding to
- 11 Article Housing and Community Development
- 12 Section 4–508
- 13 Annotated Code of Maryland
- 14 (2006 Volume and 2015 Supplement)
- 15 BY repealing and reenacting, without amendments,
- 16 Article State Finance and Procurement
- 17 Section 6–226(a)(2)(i)
- 18 Annotated Code of Maryland
- 19 (2015 Replacement Volume)
- 20 BY repealing and reenacting, with amendments,
- 21 Article State Finance and Procurement
- 22 Section 6–226(a)(2)(ii)84. and 85.
- 23 Annotated Code of Maryland
- 24 (2015 Replacement Volume)
- 25 BY adding to
- 26 Article State Finance and Procurement
- 27 Section 6–226(a)(2)(ii)86.
- 28 Annotated Code of Maryland
- 29 (2015 Replacement Volume)
- 30 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
   31 That the Laws of Maryland read as follows:
- 32

## Article – Housing and Community Development

- 33 **4–508.**
- 34 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS 35 INDICATED.
- 36 (2) "ANCHOR INSTITUTION" MEANS:

HOUSE BILL 1400

1		(I)	AN INSTITUTION OF HIGHER EDUCATION IN THE STATE; OR
2		(II)	A HOSPITAL INSTITUTION IN THE STATE THAT:
3			1. HAS A GROUP OF AT LEAST FIVE PHYSICIANS WHO ARE
4	ORGANIZED	AS A MEDI	ICAL STAFF FOR THE INSTITUTION;
_			
$5 \\ 6$	SUDEDVISIO	NOTTUE	2. MAINTAINS FACILITIES TO PROVIDE, UNDER THE
6 7	SUPERVISION OF THE MEDICAL STAFF, DIAGNOSTIC AND TREATMENT SERVICES FOR TWO OR MORE UNRELATED INDIVIDUALS; AND		
•			
8			<b>3.</b> ADMITS OR RETAINS THE INDIVIDUALS FOR
9	OVERNIGHT	CARE.	
10		(3) "BL	IGHTED AREA" MEANS AN AREA IN WHICH A MAJORITY OF
11		. ,	CLINED IN PRODUCTIVITY BY REASON OF OBSOLESCENCE,
12	DEPRECIATION, OR OTHER CAUSES TO AN EXTENT THAT THEY NO LONGER JUSTIFY		
13	FUNDAMENTAL REPAIRS AND ADEQUATE MAINTENANCE.		
		( <b>1</b> ) (( <b>T</b> )	
14	(4) "FUND" MEANS THE SEED COMMUNITY DEVELOPMENT ANCHOR INSTITUTION FUND.		
15	INSTITUTIO	N FUND.	
16	<b>(</b> B <b>)</b>	THERE IS	A SEED COMMUNITY DEVELOPMENT ANCHOR INSTITUTION
17	FUND.		
10			
18	(C) THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS AND LOANS TO ANCHOR INSTITUTIONS FOR COMMUNITY DEVELOPMENT PROJECTS IN BLIGHTED		
19 20	AREAS OF THE STATE.		
20	AREAS OF T	IL OTATL.	
21	(D)	THE DEPA	ARTMENT SHALL ADMINISTER THE FUND.
	<u> </u>	(1) <b>m</b>	<b>P</b>
22	• •	. ,	FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
23	SUBJECT TO	0 § 7–302 O	OF THE STATE FINANCE AND PROCUREMENT ARTICLE.
24		(2) THE	STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
25	AND THE CO	. ,	ER SHALL ACCOUNT FOR THE FUND.
26	<b>(</b> F <b>)</b>	THE FUND	O CONSISTS OF:
27		(1) MON	VEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;
		()	
28		(2) INTE	EREST EARNINGS OF THE FUND; AND

3

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

3 (G) (1) THE FUND MAY BE USED ONLY TO PROVIDE GRANTS AND LOANS 4 TO ANCHOR INSTITUTIONS FOR COMMUNITY DEVELOPMENT PROJECTS IN 5 BLIGHTED AREAS OF THE STATE.

6 (2) TO BE ELIGIBLE FOR A GRANT OR LOAN, AN ANCHOR INSTITUTION 7 SHALL PROVIDE EVIDENCE OF MATCHING FUNDS FROM A PRIVATE SOURCE.

8 (3) THE DEPARTMENT SHALL AWARD GRANTS AND LOANS FROM THE 9 FUND ON A COMPETITIVE BASIS.

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

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

14(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE15WITH THE STATE BUDGET.

(J) FOR FISCAL <u>YEAR 2018 AND EACH FISCAL YEAR THEREAFTER</u> <u>YEARS</u>
 2018 THROUGH 2022, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET
 BILL AN APPROPRIATION OF <u>\$10,000,000</u> <u>\$5,000,000</u> TO THE FUND.

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## Article – State Finance and Procurement

20 6-226.

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

(ii) The provisions of subparagraph (i) of this paragraph do not applyto the following funds:

29

- 84. the Economic Development Marketing Fund; [and]
- 30 85. the Military Personnel and Veteran–Owned Small
   31 Business No–Interest Loan Fund; AND

186. THE SEED COMMUNITY DEVELOPMENT ANCHOR2INSTITUTION FUND.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 4 1, 2016.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.