

HOUSE BILL 1513

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CF 7lr3632

By: **Delegates Jones, Atterbeary, Gaines, Gutierrez, Hixson, C. Howard, McIntosh, Oaks, M. Washington, K. Young, and P. Young**

Introduced and read first time: February 10, 2017

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Historic Trust Grant Fund Improvement Act**

3 FOR the purpose of authorizing the Maryland Historic Trust Grant Fund to be used to pay
4 for certain reasonable and necessary administrative costs, not to exceed a certain
5 amount; requiring the Governor, beginning in a certain fiscal year, to include a
6 certain appropriation to the Fund in the annual State budget bill; limiting the
7 amount of grants from the Fund that may be awarded to historic properties owned
8 by the Maryland Historic Trust; requiring the Trust to include certain information
9 in a certain annual report; and generally relating to the Maryland Historic Grant
10 Fund.

11 BY repealing and reenacting, with amendments,
12 Article – State Finance and Procurement
13 Section 5A–328
14 Annotated Code of Maryland
15 (2015 Replacement Volume and 2016 Supplement)

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

18 **Article – State Finance and Procurement**

19 5A–328.

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

21 (2) “MHT Grant Fund” means the Historic Preservation and Historical and
22 Cultural Museum Assistance Grant Fund of the Trust.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) “MHT Grant Program” means the Historic Preservation Grant Program
2 of the Trust.

3 (b) (1) There is an MHT Grant Program in the Trust.

4 (2) The purposes of the MHT Grant Program are to:

5 (i) implement and encourage the preservation of historic properties;
6 and

7 (ii) promote interest in and study of historic properties and their
8 preservation.

9 (c) (1) The Trust shall administer the MHT Grant Program and coordinate the
10 MHT Grant Program with federal and State programs that complement or facilitate the
11 MHT Grant Program.

12 (2) The Trust shall ensure that a grant awarded under the MHT Grant
13 Program to acquire, restore, or rehabilitate a historic property is used only if the historic
14 property is listed in or is eligible to be listed in the Historic Register.

15 (3) (i) The Trust shall require a grantee under the MHT Grant Program
16 to enter into an agreement to preserve and maintain the property.

17 (ii) If the property is real property, the agreement shall be a
18 recordable historic preservation easement.

19 (iii) The Secretary may waive the agreement requirement if the
20 Secretary determines that an agreement is impracticable.

21 (d) (1) The Department shall adopt regulations to carry out the purposes of
22 the MHT Grant Program.

23 (2) The regulations shall include:

24 (i) application procedures;

25 (ii) procedures to give adequate notice to the public of assistance
26 available under the MHT Grant Program;

27 (iii) provisions for the review of plans and specifications;

28 (iv) provisions for the inspection of projects during construction; and

29 (v) selection criteria the Trust must consider when evaluating
30 applications for grants, including:

1 1. the relative historical or cultural significance of, and the
2 urgency of need for, the project to be financed by the grant;

3 2. any proposed contribution by the appropriate political
4 subdivision to the project;

5 3. the geographic distribution of grant assistance from the
6 MHT Grant Fund under subsection (e) of this section; and

7 4. other relevant factors.

8 (e) (1) There is an MHT Grant Fund in the Trust.

9 (2) The MHT Grant Fund may be used:

10 (i) for the purposes set forth in § 5A–353 of this subtitle;

11 (ii) to make grants to nonprofit organizations, political subdivisions,
12 business entities, and individuals to acquire, rehabilitate, or restore historic properties;

13 (iii) to make grants to nonprofit organizations and political
14 subdivisions to pay costs, including preparation costs, that are directly related to a
15 rehabilitation or restoration project;

16 (iv) to make grants to nonprofit organizations and political
17 subdivisions for historic preservation education and promotion, including the research,
18 survey, and evaluation of historic properties and the preparation of historic preservation
19 planning documents and educational materials;

20 (v) to purchase or acquire historic properties or interests in historic
21 properties for the Trust's authorized purposes or for resale or lease with appropriate
22 preservation covenants;

23 (vi) to pay costs, including preparation costs, that are directly related
24 to restoring or rehabilitating historic properties that the Trust owns for use in accordance
25 with the Trust's authorized purposes or for resale or lease subject to appropriate
26 preservation covenants; [and]

27 (vii) to pay for historic preservation education and promotion
28 conducted by the Trust, and for the research, survey, and evaluation of historic properties
29 and the preparation of historic preservation planning documents and educational
30 materials; AND

31 **(VIII) TO PAY FOR REASONABLE AND NECESSARY**
32 **ADMINISTRATIVE COSTS DIRECTLY RELATED TO THE ADMINISTRATION OF THE**

1 **MHT GRANT FUND, NOT TO EXCEED 5% OF THE ANNUAL GENERAL FUND**
2 **APPROPRIATION TO THE MHT GRANT FUND.**

3 (f) The Trust shall administer the MHT Grant Fund.

4 (g) (1) The MHT Grant Fund is a continuing, nonlapsing special fund that is
5 not subject to § 7–302 of this article.

6 (2) The Treasurer shall hold and the Comptroller shall account for the
7 MHT Grant Fund.

8 (h) The MHT Grant Fund consists of:

9 (1) money appropriated in the State budget to the MHT Grant Program or
10 the Historical and Cultural Museum Assistance Program under § 5A–352 of this subtitle;

11 (2) the proceeds from the resale or lease of any properties originally
12 acquired by the Trust from the MHT Grant Fund or the Capital Grant Fund for Historic
13 Preservation;

14 (3) money received from other public or private sources for the benefit of
15 the MHT Grant Fund; and

16 (4) money received from the sale of State general obligation bonds.

17 (i) **FOR FISCAL YEAR 2018 AND EACH FISCAL YEAR THEREAFTER, THE**
18 **GOVERNOR SHALL INCLUDE IN THE ANNUAL STATE BUDGET BILL AN**
19 **APPROPRIATION OF \$1,500,000 TO THE MHT GRANT FUND.**

20 **(J)** Money in the MHT Grant Fund shall be invested in the same manner as other
21 State money.

22 **[(j)] (K)** (1) The trustees shall review and make recommendations to the
23 Secretary about grant applications and expenditure requests from the MHT Grant Fund.

24 (2) The trustees shall base their grant recommendations on a competitive
25 selection process.

26 (3) In any fiscal year, the Secretary may hold up to 20% of the money in
27 the MHT Grant Fund in reserve for emergency use in accordance with subsection (e) of this
28 section.

29 (4) Grants to business entities may not exceed 10% of all grants awarded
30 from the MHT Grant Fund under this section.

1 **(5) GRANTS TO HISTORIC PROPERTIES OWNED BY THE TRUST MAY**
2 **NOT EXCEED 10% OF ALL GRANTS AWARDED FROM THE MHT GRANT FUND UNDER**
3 **THIS SECTION.**

4 **[(k)] (L)** (1) To the extent required by regulations adopted by the Secretary
5 and approved by the Board of Public Works, the Secretary shall submit to the Board of
6 Public Works for approval grants or expenditures from the MHT Grant Fund to be financed
7 through the sale of State general obligation bonds.

8 (2) Except for an expenditure under subsection (e)(2)(v) and (vi) of this
9 section, grants and expenditures from the MHT Grant Fund are not subject to Titles 4 and
10 5 of this article.

11 **[(l)] (M)** (1) On or before December 31 of each year, the Trust shall report to
12 the Governor and, subject to § 2–1246 of the State Government Article, to the General
13 Assembly on the financial status and the activities of the MHT Grant Program and the
14 MHT Grant Fund for the preceding fiscal year.

15 **(2) IN THE REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS**
16 **SUBSECTION, THE TRUST SHALL INCLUDE INFORMATION ON:**

17 **(I) THE AMOUNT OF THE MHT GRANT FUND THAT IS USED FOR**
18 **ADMINISTRATIVE PURPOSES; AND**

19 **(II) THE AMOUNT OF GRANTS MADE TO HISTORIC PROPERTIES**
20 **OWNED BY THE TRUST.**

21 **[(m)] (N)** (1) A person may not knowingly make or cause to be made a material
22 false statement of fact, including an understatement or overstatement of financial
23 condition, in a statement or report in or regarding an application for a grant or affecting an
24 existing grant.

25 (2) A person who violates this section is guilty of a misdemeanor and on
26 conviction is subject to imprisonment not exceeding 2 years or a fine not exceeding \$5,000
27 or both.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
29 October 1, 2017.