

SENATE BILL 323

C8, B1
SB 287/20 – B&T

(PRE-FILED)

1r0467
CF HB 310

By: **Senator Elfreth**

Requested: September 8, 2020

Introduced and read first time: January 13, 2021

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Arts Capital Grant Program**

3 FOR the purpose of establishing the Maryland Arts Capital Grant Program; requiring the
4 Maryland State Arts Council to administer the Program and hire a certain
5 coordinator; requiring the Governor, for certain fiscal years, to include in the State
6 operating or capital budget an annual appropriation of at least a certain amount for
7 the Program; authorizing certain organizations to apply for certain grants;
8 prohibiting certain organizations from receiving from the Council, in any fiscal year,
9 a grant for a single project that exceeds a certain amount; requiring certain
10 organizations, under certain circumstances, to match a certain amount of the grant
11 awarded; authorizing the Council, under certain circumstances, to waive the match
12 requirement; requiring the Council to establish a competitive application process for
13 the Program; providing for the contents of the application; requiring the Department
14 of Commerce to establish, by regulation, a quantitative system to evaluate each
15 application that takes into account certain information; requiring the Council and a
16 grant recipient to execute a certain program agreement; stating the intent of the
17 General Assembly; and generally relating to the Maryland Arts Capital Grant
18 Program.

19 BY adding to

20 Article – Economic Development

21 Section 4–514

22 Annotated Code of Maryland

23 (2018 Replacement Volume and 2020 Supplement)

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

26 **Article – Economic Development**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 4-514.

2 (A) NOTHING IN THIS SECTION MAY BE CONSTRUED TO PROHIBIT AN
3 ORGANIZATION FROM RECEIVING FUNDS FROM A GOVERNMENT SOURCE OTHER
4 THAN THE MARYLAND ARTS CAPITAL GRANT PROGRAM.

5 (B) (1) THERE IS A MARYLAND ARTS CAPITAL GRANT PROGRAM.

6 (2) THE COUNCIL SHALL ADMINISTER THE PROGRAM AND HIRE AT
7 LEAST ONE FULL-TIME COORDINATOR FOR THE PROGRAM.

8 (C) FOR EACH OF FISCAL YEARS 2023 THROUGH 2028, THE GOVERNOR
9 SHALL INCLUDE IN THE STATE OPERATING OR CAPITAL BUDGET AN ANNUAL
10 APPROPRIATION OF \$3,000,000 FOR THE MARYLAND ARTS CAPITAL GRANT
11 PROGRAM.

12 (D) (1) FOR EACH FISCAL YEAR, THE COUNCIL SHALL AWARD THE
13 ENTIRE APPROPRIATION UNDER SUBSECTION (C) OF THIS SECTION IN GRANTS
14 UNDER THIS SECTION.

15 (2) AN ORGANIZATION MAY APPLY FOR A GRANT UNDER THIS
16 SECTION IF THE ORGANIZATION HAS AN OPERATING BUDGET THAT IS LESS THAN
17 \$3,000,000 AND PARTICIPATES IN THE COUNCIL'S GRANTS FOR ORGANIZATIONS
18 PROGRAM OR COMMUNITY ARTS DEVELOPMENT PROGRAM.

19 (3) THE COUNCIL MAY AWARD A GRANT UNDER THIS SECTION FOR
20 THE EXPANSION OF, THE RENOVATION OF, OR MAJOR REPAIRS TO A FACILITY
21 OPERATED BY AN ORGANIZATION ELIGIBLE UNDER PARAGRAPH (2) OF THIS
22 SUBSECTION TO APPLY FOR A GRANT.

23 (4) FOR ANY FISCAL YEAR, AN ORGANIZATION MAY NOT RECEIVE
24 FROM THE COUNCIL A GRANT FOR A SINGLE PROJECT THAT EXCEEDS \$1,000,000.

25 (5) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
26 PARAGRAPH, AN ORGANIZATION THAT IS AWARDED A GRANT UNDER THIS SECTION
27 SHALL MATCH AT LEAST 25% OF THE AMOUNT OF THE GRANT AWARDED.

28 (II) FOR GOOD CAUSE SHOWN, THE COUNCIL MAY WAIVE THE
29 REQUIREMENT TO PROVIDE A MATCH UNDER THIS PARAGRAPH.

30 (E) (1) THE COUNCIL, IN CONSULTATION WITH THE DIVISION OF
31 NEIGHBORHOOD REVITALIZATION IN THE DEPARTMENT OF HOUSING AND
32 COMMUNITY DEVELOPMENT AND THE DEPARTMENT, SHALL ESTABLISH A
33 COMPETITIVE APPLICATION PROCESS FOR THE GRANTS AUTHORIZED UNDER THIS

1 SECTION.

2 (2) THE APPLICATION SHALL CONTAIN:

3 (I) THE PROJECT PLAN AND FULL BUDGET, INCLUDING THE
4 USE OF THE MATCHING FUNDS;

5 (II) A DESCRIPTION OF THE NEIGHBORHOOD OR AREA WHERE
6 THE PROJECT WILL BE LOCATED;

7 (III) A LETTER OF SUPPORT FROM THE LOCAL GOVERNING BODY
8 REPRESENTING THE AREA IN WHICH THE PROJECT WILL BE LOCATED;

9 (IV) ORGANIZATIONAL DOCUMENTS FOR THE ORGANIZATION;
10 AND

11 (V) ANY OTHER INFORMATION THAT THE COUNCIL REQUIRES.

12 (F) THE DEPARTMENT, BY REGULATION, SHALL ESTABLISH A
13 QUANTITATIVE SYSTEM TO EVALUATE EACH APPLICATION THAT TAKES INTO
14 ACCOUNT:

15 (1) THE FULL PROJECT PLAN AND HOW THE PLAN RELATES TO:

16 (I) FULFILLING THE MISSION OF THE ORGANIZATION; AND

17 (II) ENHANCING THE COUNTY AND THE COMMUNITIES
18 SURROUNDING THE PROJECT;

19 (2) THE CAPACITY OF THE APPLICANT OR PARTNERS OF THE
20 APPLICANT TO COMPLETE THE PROJECT AND LEVERAGE NON-STATE FUNDING;

21 (3) THE ABILITY OF THE PROPOSED PROJECT TO ADDRESS
22 IDENTIFIED CHALLENGES AT THE ORGANIZATION;

23 (4) A DESCRIPTION OF THE ORGANIZATION'S INCLUSIONARY HIRING
24 PRACTICES THAT INCREASE LOCAL WORKFORCE OPPORTUNITIES; AND

25 (5) A PLAN TO MAKE THE PROJECT AVAILABLE FOR USE BY PEOPLE
26 OF COLOR AND BY INDIVIDUALS LIVING BELOW THE FEDERAL POVERTY LEVEL.

27 (G) (1) THE COUNCIL AND A GRANT RECIPIENT SHALL EXECUTE A
28 PROGRAM AGREEMENT.

29 (2) THE GRANT RECIPIENT SHALL COMPLY WITH THE TERMS OF THE

1 PROGRAM AGREEMENT.

2 (3) THE PROGRAM AGREEMENT MAY NOT ALLOW FOR MORE THAN
3 15% OF THE AMOUNT OF THE GRANT TO BE USED FOR OPERATING EXPENSES.

4 (4) THE COUNCIL MAY EXERCISE ANY REMEDY AUTHORIZED BY LAW
5 IF THE GRANT RECIPIENT:

6 (I) VIOLATES ANY PROVISION OF THE AGREEMENT; OR

7 (II) DOES NOT MEET ANY REQUIREMENT UNDER THIS SECTION.

8 (H) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT, BEFORE A
9 LEGISLATIVE BOND INITIATIVE IS SUBMITTED ON BEHALF OF AN ORGANIZATION
10 FOR A PROJECT THAT IS ELIGIBLE FOR A GRANT UNDER THIS SECTION, THE
11 ORGANIZATION:

12 (1) APPLY FOR A GRANT UNDER THIS SECTION;

13 (2) RECEIVE A LETTER OF SUPPORT FROM THE EXECUTIVE DIRECTOR
14 OF THE COUNCIL STATING THAT:

15 (I) THE PROJECT IS URGENT AND ANY FUNDING THE
16 ORGANIZATION RECEIVES WILL BE SPENT IN THE NEXT FISCAL YEAR; AND

17 (II) THE ORGANIZATION HAS BEEN AWARDED A GRANT UNDER
18 THIS SECTION; AND

19 (3) IS AUTHORIZED BY THE PRESIDENT OF THE SENATE AND THE
20 SPEAKER OF THE HOUSE TO REQUEST A LEGISLATIVE BOND INITIATIVE.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
22 1, 2021.