

SENATE BILL 333

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HB 258/95 - ECM

2001 Regular Session  
11r2319  
CF 11r2242

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By: **Senators Kelley, Collins, Conway, Currie, Della, Dorman, Hoffman,  
Hollinger, Hughes, Lawlah, McFadden, Middleton, Mitchell, Pinsky,  
Ruben, Sfikas, and Van Hollen**

Introduced and read first time: January 31, 2001

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Nonprofit Sector Development Center Program**

3 FOR the purpose of establishing the Maryland Nonprofit Sector Development Center  
4 Program in the Department of Business and Economic Development; requiring  
5 the Department to provide certain training and technical assistance services to  
6 nonprofit entities; authorizing certain grants to provide certain training and  
7 technical assistance services; establishing an advisory board for the Program;  
8 requiring that certain recommendations about the Program be made; and  
9 generally relating to the Maryland Nonprofit Sector Development Center  
10 Program.

11 BY adding to  
12 Article 83A - Department of Business and Economic Development  
13 Section 6-601 through 6-605, inclusive, to be under the new subtitle "Subtitle 6.  
14 Nonprofit Sector Development Center Program"  
15 Annotated Code of Maryland  
16 (1998 Replacement Volume and 2000 Supplement)

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

19 **Article 83A - Department of Economic and Employment Development**

20 **SUBTITLE 6. NONPROFIT SECTOR DEVELOPMENT CENTER PROGRAM.**

21 6-601.

22 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
23 INDICATED.

24 (B) "PROGRAM" MEANS THE MARYLAND NONPROFIT SECTOR DEVELOPMENT  
25 CENTER PROGRAM.

1 (C) "NONPROFIT ENTITY" MEANS A CORPORATION INCORPORATED IN THE  
2 STATE, OR OTHERWISE QUALIFIED TO DO BUSINESS IN THE STATE, THAT HAS BEEN  
3 DETERMINED BY THE INTERNAL REVENUE SERVICE TO BE EXEMPT FROM TAXATION  
4 UNDER § 501(C)(3), § 501(C)(4), OR § 501(C)(6) OF THE INTERNAL REVENUE CODE.

5 6-602.

6 (A) THERE IS A MARYLAND NONPROFIT SECTOR DEVELOPMENT CENTER  
7 PROGRAM IN THE DEPARTMENT.

8 (B) THE DEPARTMENT SHALL FOSTER, SUPPORT, AND ASSIST THE ECONOMIC  
9 GROWTH AND REVITALIZATION OF NONPROFIT ENTITIES IN THE STATE BY  
10 PROVIDING TRAINING AND TECHNICAL ASSISTANCE SERVICES THROUGHOUT THE  
11 STATE.

12 6-603.

13 (A) THE DEPARTMENT SHALL PROVIDE ASSISTANCE TO NONPROFIT  
14 ENTITIES, INCLUDING:

15 (1) OPERATION OF AN INFORMATION EXCHANGE COVERING CURRENT  
16 AND NEW TECHNICAL INFORMATION AND DATA ABOUT ALL ASPECTS OF NONPROFIT  
17 MANAGEMENT, INCLUDING:

18 (I) NONPROFIT START-UP;

19 (II) BUDGETING AND FINANCIAL MANAGEMENT;

20 (III) FACILITIES DEVELOPMENT AND MANAGEMENT;

21 (IV) BOARD DEVELOPMENT;

22 (V) ORGANIZATIONAL DEVELOPMENT AND STRATEGIC PLANNING;

23 (VI) MARKETING;

24 (VII) FEDERAL AND STATE CONTRACTING AND GRANT MAKING;

25 (VIII) INDIVIDUAL, CORPORATE, AND FOUNDATION FUND-RAISING;

26 (IX) VOLUNTEER MANAGEMENT;

27 (X) PERSONNEL MANAGEMENT;

28 (XI) FEDERAL AND STATE TAX LAW AND REGULATIONS;

29 (XII) FEDERAL AND STATE LAW AND REGULATIONS GOVERNING  
30 CHARITABLE SOLICITATIONS;

31 (XIII) FEDERAL AND STATE REGULATIONS APPLICABLE TO  
32 LICENSING OR ACCREDITATION;

1 (XIV) FEDERAL AND STATE FINANCING PROGRAMS; AND

2 (XV) INFORMATION TECHNOLOGY; AND

3 (2) INDIVIDUAL CONSULTATION AND TECHNICAL ASSISTANCE TO ANY  
4 NONPROFIT ENTITY THAT REQUESTS THE SERVICE, INCLUDING ASSISTANCE ON ANY  
5 OF THE SUBJECTS IDENTIFIED IN SUBSECTION (A)(1) OF THIS SECTION.

6 (B) (1) THE DEPARTMENT SHALL GRANT FUNDS AS ARE APPROPRIATED TO  
7 ONE OR MORE PUBLIC AGENCIES, INSTITUTIONS OF HIGHER EDUCATION, OR  
8 PRIVATE NONPROFIT ENTITIES TO PROVIDE THE TRAINING AND TECHNICAL  
9 ASSISTANCE SERVICES REQUIRED UNDER THIS SUBTITLE.

10 (2) SERVICES SHALL BE ACCESSIBLE TO NONPROFIT ENTITIES  
11 THROUGHOUT THE STATE.

12 (3) GRANTEES SHALL UTILIZE THE EXPERTISE OF SUCCESSFUL  
13 NONPROFIT LEADERS, EDUCATIONAL INSTITUTIONS, PUBLIC OFFICIALS, AND  
14 OTHER PRIVATE OR PUBLIC RESOURCES TO PROVIDE TRAINING AND TECHNICAL  
15 ASSISTANCE SERVICES.

16 (4) IF THE DEPARTMENT MAKES MULTIPLE GRANTS, THE DEPARTMENT  
17 SHALL COORDINATE THE WORK OF THE GRANTEES AS NECESSARY TO EFFECTUATE  
18 THE PURPOSES OF THE SUBTITLE.

19 (5) IN SELECTING GRANTEES, THE DEPARTMENT SHALL CONSIDER THE  
20 ABILITY OF THE GRANTEE TO PROVIDE CASH AND IN-KIND MATCHING RESOURCES  
21 THAT FURTHER SUPPORT THE OBJECTIVES OF THIS PROGRAM.

22 6-604.

23 (A) THERE IS A NONPROFIT SECTOR DEVELOPMENT CENTER PROGRAM  
24 ADVISORY BOARD IN THE DEPARTMENT.

25 (B) (1) THE BOARD CONSISTS OF 11 MEMBERS APPOINTED BY THE  
26 SECRETARY.

27 (2) THE BOARD CONSISTS OF THE FOLLOWING REPRESENTATIVES:

28 (I) ONE REPRESENTATIVE OF THE DEPARTMENT;

29 (II) TWO REPRESENTATIVES DESIGNATED BY THE MARYLAND  
30 ASSOCIATION OF NONPROFIT ORGANIZATIONS WHO SERVE AS EXECUTIVE  
31 DIRECTORS OR BOARD PRESIDENTS OF NONPROFIT ENTITIES;

32 (III) TWO REPRESENTATIVES WHO SERVE AS EXECUTIVE  
33 DIRECTORS OR BOARD CHAIRPERSONS OF FOUNDATIONS OR CORPORATE GIVING  
34 PROGRAMS;

1 (IV) ONE REPRESENTATIVE OF COUNTY OR MUNICIPAL  
2 GOVERNMENT AGENCIES INVOLVED IN CONTRACTING WITH NONPROFIT ENTITIES  
3 FOR THE DELIVERY OF PUBLIC PROGRAMS AND SERVICES;

4 (V) ONE REPRESENTATIVE OF STATE GOVERNMENT AGENCIES  
5 INVOLVED IN CONTRACTING WITH NONPROFIT ENTITIES FOR THE DELIVERY OF  
6 PUBLIC PROGRAMS AND SERVICES; AND

7 (VI) FOUR REPRESENTATIVES OF PROFESSIONS INVOLVED IN  
8 PROVIDING PROFESSIONAL SERVICES TO NONPROFIT ENTITIES, INCLUDING THE  
9 ACCOUNTING, LEGAL, FUNDRAISING, OR ORGANIZATIONAL DEVELOPMENT  
10 PROFESSIONS.

11 (3) IN CHOOSING THE MEMBERS OF THE ADVISORY BOARD THE  
12 SECRETARY SHALL ENSURE THAT ALL REGIONS OF THE STATE ARE REPRESENTED.

13 (C) THE SECRETARY SHALL DESIGNATE A CHAIRMAN FROM AMONG THE  
14 MEMBERS OF THE ADVISORY BOARD.

15 (D) A MEMBER OF THE ADVISORY BOARD:

16 (1) MAY NOT RECEIVE COMPENSATION; BUT

17 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE  
18 STANDARD STATE TRAVEL REGULATIONS AS PROVIDED IN THE STATE BUDGET.

19 (E) THE ADVISORY BOARD SHALL:

20 (1) IDENTIFY ISSUES AND CONCERNS OF NONPROFIT ENTITIES;

21 (2) ADVISE THE DEPARTMENT ON PROBLEMS AFFECTING NONPROFIT  
22 ENTITIES;

23 (3) SERVE AS A GENERAL ADVOCATE FOR THE NONPROFIT SECTOR; AND

24 (4) REVIEW THE PROGRESS AND EFFECTIVENESS OF THE PROGRAM  
25 AND MAKE RECOMMENDATIONS ON THE CRITERIA FOR SELECTION OF GRANTEEES.

26 6-605.

27 (A) THE DEPARTMENT SHALL COORDINATE WITH FEDERAL, STATE, AND  
28 LOCAL AGENCIES AND PRIVATE ORGANIZATIONS TO;

29 (1) EFFECTUATE THE PURPOSES OF THIS SUBTITLE;

30 (2) AVOID A DUPLICATION OF SERVICES; AND

31 (3) SOLICIT AND OBTAIN COOPERATION AND ANY AVAILABLE FUNDS OR  
32 GRANTS TO AID NONPROFIT ENTITIES IN THIS STATE.

1 (B) WHENEVER POSSIBLE, THE DEPARTMENT SHALL UTILIZE THE SERVICES  
2 OF EXISTING GOVERNMENTAL, EDUCATIONAL, BUSINESS, AND FINANCIAL  
3 INSTITUTIONS AND THEIR PERSONNEL ON A VOLUNTARY BASIS.

4 (C) THE SECRETARY SHALL MAKE RECOMMENDATIONS TO THE GOVERNOR  
5 AND SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL  
6 ASSEMBLY, RELATING TO:

7 (1) THE OPERATION OF THE PROGRAM; AND

8 (2) SUGGESTED LEGISLATION.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
10 effect October 1, 2001.