

SENATE BILL 537

P2

2lr2136

By: **Senators Pugh, Benson, Conway, Currie, Garagiola, Gladden, Jones–Rodwell, Kelley, King, McFadden, Montgomery, Muse, and Ramirez**

Introduced and read first time: February 3, 2012

Assigned to: Education, Health, and Environmental Affairs and Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **State Finance and Procurement – Special Funds – Diversity**

3 FOR the purpose of requiring that the investments of certain special funds reflect the
4 diversity of the State; prohibiting certain special funds from receiving fees from
5 the public unless the industry that benefits from the special fund meets certain
6 requirements; requiring the Governor’s Office of Minority Affairs to provide by
7 regulation a certain determination; requiring the State Treasurer, in
8 consultation with the Governor’s Office of Minority Affairs, to provide a certain
9 report by a certain date; defining a certain term; and generally relating to a
10 requirement that certain special funds be administered in a certain manner.

11 BY adding to

12 Article – State Finance and Procurement

13 Section 7–407

14 Annotated Code of Maryland

15 (2009 Replacement Volume and 2011 Supplement)

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

18 **Article – State Finance and Procurement**

19 **7–407.**

20 **(A) IN THIS SECTION, “SPECIAL FUND” MEANS A FUND ESTABLISHED BY**
21 **LAW TO BENEFIT OR EXPAND AN INDUSTRY IN THE STATE.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(B) (1) THE TREASURER, IN CONSULTATION WITH THE GOVERNOR'S**
2 **OFFICE OF MINORITY AFFAIRS, SHALL REQUIRE THAT INVESTMENTS OF A**
3 **SPECIAL FUND REFLECT THE DIVERSITY OF THE STATE.**

4 **(2) A UNIT OF STATE GOVERNMENT THAT ADMINISTERS A**
5 **SPECIAL FUND THAT RECEIVES FEES GENERATED BY THE PUBLIC MAY NOT**
6 **ACCEPT THE FEES UNLESS:**

7 **(I) THE OWNERSHIP OF THE INDUSTRY THAT RECEIVES**
8 **THE BENEFIT OF THE SPECIAL FUND REFLECTS THE DIVERSITY OF THE STATE;**
9 **AND**

10 **(II) THE INDUSTRY HAS PROCEDURES THAT PROVIDE**
11 **OPPORTUNITIES FOR MINORITY BUSINESSES TO ACHIEVE GOALS CONSISTENT**
12 **WITH § 14-302 OF THIS ARTICLE.**

13 **(C) FOR PURPOSES OF THIS SECTION, THE GOVERNOR'S OFFICE OF**
14 **MINORITY AFFAIRS SHALL DETERMINE, BY REGULATION, THE REQUIREMENTS**
15 **NECESSARY TO REFLECT THE DIVERSITY OF THE STATE.**

16 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before January 1,
17 2013, the Treasurer, in consultation with the Governor's Office of Minority Affairs,
18 shall report to the General Assembly, in accordance with § 2-1246 of the State
19 Government Article, on any special funds that are not in compliance with this Act.

20 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 June 1, 2012.