

# HOUSE BILL 1345

C8

7lr3199

---

By: ~~Delegate A. Washington~~ **Delegates A. Washington and Healey**

Introduced and read first time: February 10, 2017

Assigned to: Environment and Transportation

---

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 14, 2017

---

## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **National Capital Strategic Economic Development Fund**

3 FOR the purpose of establishing the National Capital Strategic Economic Development  
4 Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the  
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 for awarding grants from the  
9 Fund; requiring interest earnings of the Fund to be credited to the Fund; requiring  
10 an appropriation to the Fund to be allocated in a certain manner; exempting the  
11 Fund from a certain provision of law requiring interest on State money in special  
12 funds to accrue to the General Fund of the State; defining a certain term; and  
13 generally relating to the National Capital Strategic Economic Development Fund.

14 BY adding to

15 Article – Housing and Community Development  
16 Section 4–510  
17 Annotated Code of Maryland  
18 (2006 Volume and 2016 Supplement)

19 BY repealing and reenacting, without amendments,

20 Article – State Finance and Procurement  
21 Section 6–226(a)(2)(i)  
22 Annotated Code of Maryland  
23 (2015 Replacement Volume and 2016 Supplement)

---

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.



1 BY repealing and reenacting, with amendments,  
2 Article – State Finance and Procurement  
3 Section 6–226(a)(2)(ii)94. and 95.  
4 Annotated Code of Maryland  
5 (2015 Replacement Volume and 2016 Supplement)

6 BY adding to  
7 Article – State Finance and Procurement  
8 Section 6–226(a)(2)(ii)96.  
9 Annotated Code of Maryland  
10 (2015 Replacement Volume and 2016 Supplement)

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

13 **Article – Housing and Community Development**

14 **4–510.**

15 (A) IN THIS SECTION, “FUND” MEANS THE NATIONAL CAPITAL STRATEGIC  
16 ECONOMIC DEVELOPMENT FUND.

17 (B) THERE IS A NATIONAL CAPITAL STRATEGIC ECONOMIC DEVELOPMENT  
18 FUND.

19 (C) THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS ~~AND LOANS~~ TO  
20 ASSIST IN PREDEVELOPMENT ACTIVITIES FOR COMMERCIAL AND RESIDENTIAL  
21 DEVELOPMENT, INCLUDING SITE ACQUISITION, LAND ASSEMBLY, ARCHITECTURE  
22 AND ENGINEERING, AND SITE DEVELOPMENT FOR REVITALIZATION ~~PROJECTS~~ IN  
23 DESIGNATED AREAS OF THE STATE.

24 (D) THE DEPARTMENT SHALL ADMINISTER THE FUND.

25 (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT  
26 SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

27 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,  
28 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

29 (F) THE FUND CONSISTS OF:

30 (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

31 (2) INTEREST EARNINGS OF THE FUND; AND



1                                   4.     **FUNDS EXPENDED BEFORE THE DATE THE GRANT IS**  
2 **AWARDED.**

3                                   **(3)     THE DEPARTMENT SHALL AWARD GRANTS FROM THE FUND ON A**  
4 **COMPETITIVE BASIS.**

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

7                                   **(2)     ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**  
8 **THE FUND.**

9                                   **(I)     EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**  
10 **WITH THE STATE BUDGET.**

11                                   **(J)     IF THE GOVERNOR INCLUDES IN THE ANNUAL BUDGET BILL AN**  
12 **APPROPRIATION TO THE FUND, THE APPROPRIATION SHALL BE ALLOCATED AS**  
13 **FOLLOWS:**

14                                   **(1)     85% FOR PROJECTS IN THOSE AREAS OF THE STATE LOCATED**  
15 **BETWEEN INTERSTATE HIGHWAY 495 AND THE DISTRICT OF COLUMBIA; AND**

16                                   **(2)     15% FOR PROJECTS THROUGHOUT THE STATE.**

17                                   **Article – State Finance and Procurement**

18 6–226.

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

25                                   (ii)     The provisions of subparagraph (i) of this paragraph do not apply  
26 to the following funds:

27                                   94.     the Community Program Fund; [and]

28                                   95.     the Maryland Corps Program Fund; AND

29                                   96.     **THE NATIONAL CAPITAL STRATEGIC ECONOMIC**  
30 **DEVELOPMENT FUND.**

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

Approved:

---

Governor.

---

Speaker of the House of Delegates.

---

President of the Senate.