

# SENATE BILL 164

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CF HB 155

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By: **The President (By Request – Administration) and Senators Bailey, Carozza, Cassilly, Eckardt, Edwards, Gallion, Guzzone, Hershey, Hough, Jennings, Ready, Salling, Serafini, Simonaire, ~~and West~~ West, Elfreth, Ferguson, Griffith, King, McCray, Peters, Rosapepe, and Zucker**

Introduced and read first time: January 21, 2019

Assigned to: Budget and Taxation and Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 11, 2019

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

1 AN ACT concerning

2 **Maryland Department of Health – Capital and Grant Programs – State Grants**

3 FOR the purpose of increasing the caps on the percentages of certain costs for the  
4 construction, acquisition, renovation, and equipping of community mental health  
5 facilities, addiction facilities, and developmental disabilities facilities for which State  
6 grants can be provided under the Community Mental Health, Addiction, and  
7 Developmental Disabilities Capital Program; increasing the caps on the percentages  
8 of certain costs for certain projects that may be covered by State grants under the  
9 Federally Qualified Health Centers Grant Program; making stylistic changes; and  
10 generally relating to the Community Mental Health, Addiction, and Developmental  
11 Disabilities Facilities Capital Program and the Federally Qualified Health Centers  
12 Grant Program.

13 BY repealing and reenacting, with amendments,  
14 Article – Health – General  
15 Section 24–604 and 24–1304  
16 Annotated Code of Maryland  
17 (2015 Replacement Volume and 2018 Supplement)

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

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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 **Article – Health – General**

2 24–604.

3 (a) The allocation and use of State funds under this subtitle are subject to the  
4 following terms and conditions.

5 (b) State funds may be used only for the construction, acquisition, renovation, and  
6 equipping of facilities including the reports, plans, specifications, site improvements,  
7 surveys, and other related programs.

8 (1) Any federal grant that is available for this purpose shall be applied  
9 first to the cost of construction, acquisition, renovation, or equipping of a facility.

10 (2) A State grant shall provide up to ~~[50 percent]~~ **75%** of the eligible cost  
11 remaining after the federal grant has been applied.

12 (3) For projects designated under federal regulations, State plans, or the  
13 departmental regulations as eligible for poverty area funding, State grants shall amount to  
14 up to ~~[75 percent]~~ **90%** of the eligible cost remaining after the federal grant has been  
15 applied.

16 (4) For purposes of this subtitle, community development block grant funds  
17 shall be considered as local matching funds and may not be considered as federal grant  
18 funds.

19 (c) The amount of the State grant for any project shall be determined after  
20 consideration of all eligible applications, the total of unallocated State funds available at  
21 the time the application is received, and the priorities of area need as may be established  
22 by the Department.

23 (d) **(1)** No portion of the proceeds of a State grant may be used:

24 ~~[(1)]~~ **(I)** For the furtherance of sectarian religious instruction; or

25 ~~[(2)]~~ **(II)** In connection with the design, acquisition, or construction of any  
26 building used or to be used as a place of sectarian religious worship or instruction, or in  
27 connection with any program or department of divinity for any religious denomination.

28 **(2)** ~~[Upon]~~ **ON** the request of the Board of Public Works, the applicant shall  
29 submit evidence satisfactory to the Board that none of the proceeds of the grant have been  
30 or are being used for a purpose prohibited by this subtitle.

31 24–1304.

1 (a) The allocation and use of State funds under this subtitle are subject to the  
2 terms and conditions set forth in this section.

3 (b) State funds may only be used for the purposes listed under § 24–1302 of this  
4 subtitle and approved by the Secretary under § 24–1303 of this subtitle.

5 (c) The allocation and use of State funds under this subtitle are subject to the  
6 following terms and conditions:

7 (1) Any federal or other grant that is received for an eligible project shall  
8 be applied first to the cost of the project;

9 (2) Except as provided in subsection (d) of this section, a State grant may  
10 not exceed **[50%] 75%** of the cost of eligible work remaining unpaid after all federal grants  
11 have been applied; and

12 (3) For purposes of this subtitle, community development block grant funds  
13 shall be considered as local matching funds and may not be considered as federal grant  
14 funds.

15 (d) For a project designated as eligible for poverty area funding under federal  
16 regulations, State plans, or departmental regulations, a State grant may cover up to **[75%]  
17 90%** of the cost of eligible work remaining unpaid after all federal grants have been applied.

18 (e) The amount of the State grant recommended to the Board of Public Works for  
19 any project shall be determined after consideration of:

20 (1) All eligible projects;

21 (2) The total of unallocated State funds available at the time the grant  
22 recommendation is made to the Board of Public Works; and

23 (3) The priorities of area need established by the Department.

24 (f) (1) No portion of the proceeds of a State grant may be used:

25 (i) To further sectarian religious instruction;

26 (ii) In connection with the design, acquisition, or construction of any  
27 building to be used as a place of sectarian religious worship or instruction; or

28 (iii) In connection with any program or department of divinity for any  
29 religious denomination.

30 (2) On the request of the Board of Public Works, the applicant shall submit  
31 evidence satisfactory to the Board that the proceeds of the grant are not being used for a  
32 purpose prohibited under this subsection or under applicable federal law.

1 (g) Beginning in fiscal year 2007 and continuing every fiscal year thereafter, the  
2 Governor shall include an appropriation in the State capital budget to be distributed and  
3 managed in accordance with this subtitle.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
5 October 1, 2019.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.