

SENATE BILL 740

L1, C8

9lr2211

By: **Senator Hester**

Introduced and read first time: February 4, 2019

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Counties – Innovative Development Competitions**

3 FOR the purpose of authorizing a county to enact a local law to provide for a certain
4 innovative development competition; stating the purpose of the competition;
5 specifying certain required contents of a certain local law; providing that a prize
6 awarded through a certain competition may not exceed a certain amount and shall
7 be matched by the State Innovative Development Fund; providing that a certain
8 prize may only be used for a certain purpose; establishing the State Innovative
9 Development Fund as a special, nonlapsing fund; specifying the purpose of the Fund;
10 requiring the Department of Planning to administer the Fund; requiring the State
11 Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying
12 the contents of the Fund; specifying the purpose for which the Fund may be used;
13 providing for the investment of money in and expenditures from the Fund; defining
14 a certain term; authorizing the Governor to appropriate a certain amount each fiscal
15 year in the annual State budget for a certain purpose; and generally relating to
16 innovative development competitions.

17 BY adding to

18 Article – Local Government

19 Section 18–401 through 18–403 to be under the new subtitle “Subtitle 4. Innovative
20 Development Competitions”

21 Annotated Code of Maryland

22 (2013 Volume and 2018 Supplement)

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

25 **Article – Local Government**

26 **SUBTITLE 4. INNOVATIVE DEVELOPMENT COMPETITIONS.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 18-401.

2 (A) A COUNTY MAY, BY LOCAL LAW, PROVIDE FOR AN INNOVATIVE
3 DEVELOPMENT COMPETITION.

4 (B) THE PURPOSE OF AN INNOVATIVE DEVELOPMENT COMPETITION IS TO
5 ENCOURAGE DEVELOPMENT PROPOSALS FROM PRIVATE ENTITIES BY GRANTING
6 CASH PRIZES TO PROJECTS SELECTED BY AN INNOVATIVE DEVELOPMENT BOARD
7 BASED ON CRITERIA SET BY THE COUNTY TO FOSTER INNOVATION IN SUSTAINABLE
8 REVITALIZATION, INCLUDING ECONOMIC, SOCIAL, AND ENVIRONMENTAL
9 EXCELLENCE.

10 (C) A LOCAL LAW ENACTED IN ACCORDANCE WITH THIS SECTION SHALL:

11 (1) PROVIDE FOR THE APPOINTMENT OF AN INNOVATIVE
12 DEVELOPMENT BOARD THAT SHALL CONSIST OF SEVEN MEMBERS APPOINTED BY
13 THE COUNTY'S CHIEF EXECUTIVE OFFICER AND APPROVED BY THE COUNTY
14 LEGISLATIVE BODY;

15 (2) PROVIDE FOR THE QUALIFICATIONS AND DUTIES OF THE
16 INNOVATIVE DEVELOPMENT BOARD;

17 (3) STRUCTURE THE COMPETITION FOLLOWING GENERALLY
18 ACCEPTED PRACTICES FOR PITCH COMPETITIONS;

19 (4) DEVELOP CRITERIA FOR APPLICANTS AND DEVELOPMENT
20 PROJECTS THAT MAY BE ENTERED INTO THE COMPETITION;

21 (5) PROVIDE FOR APPROPRIATE NONMONETARY ASSISTANCE TO A
22 WINNER TO IMPLEMENT A WINNING PROJECT; AND

23 (6) CREATE A FUND FROM WHICH A PRIZE MAY BE AWARDED TO THE
24 WINNER OF THE COMPETITION.

25 (D) A PRIZE AWARDED THROUGH AN INNOVATIVE DEVELOPMENT
26 COMPETITION AUTHORIZED UNDER THIS SECTION:

27 (1) (I) MAY NOT EXCEED \$250,000; AND

28 (II) SHALL BE MATCHED BY THE STATE INNOVATIVE
29 DEVELOPMENT FUND; AND

1 **(2) MAY ONLY BE USED TO IMPLEMENT A WINNING PROJECT.**

2 **18-402.**

3 **(A) IN THIS SECTION, “FUND” MEANS THE STATE INNOVATIVE**
4 **DEVELOPMENT FUND.**

5 **(B) THERE IS A STATE INNOVATIVE DEVELOPMENT FUND.**

6 **(C) THE PURPOSE OF THE FUND IS TO PROVIDE MATCHING FUNDS FOR**
7 **PRIZES AWARDED THROUGH AN INNOVATIVE DEVELOPMENT COMPETITION**
8 **AUTHORIZED UNDER § 18-401 OF THIS SUBTITLE.**

9 **(D) THE DEPARTMENT OF COMMERCE SHALL ADMINISTER THE FUND.**

10 **(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
11 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

12 **(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**
13 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

14 **(F) THE FUND CONSISTS OF:**

15 **(1) REVENUE DISTRIBUTED TO THE FUND UNDER § 18-403 OF THIS**
16 **SUBTITLE;**

17 **(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND; AND**

18 **(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**
19 **THE BENEFIT OF THE FUND.**

20 **(G) THE FUND MAY BE USED ONLY TO:**

21 **(1) PROVIDE MATCHING FUNDS FOR A PRIZE AWARDED THROUGH A**
22 **COUNTY INNOVATIVE DEVELOPMENT COMPETITION; AND**

23 **(2) PAY FOR THE ADMINISTRATIVE COSTS OF THE FUND.**

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

26 **(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**
27 **THE GENERAL FUND OF THE STATE.**

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

3 **18-403.**

4 **FOR FISCAL YEAR 2021 AND EACH FISCAL YEAR THEREAFTER, THE**
5 **GOVERNOR MAY APPROPRIATE UP TO \$1,000,000 IN THE ANNUAL STATE BUDGET**
6 **TO BE DISTRIBUTED TO THE STATE INNOVATIVE DEVELOPMENT FUND.**

7 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect**
8 **October 1, 2019.**