HB1539/126884/1

BY: Health and Government Operations Committee

<u>AMENDMENTS TO HOUSE BILL 1539</u> (First Reading File Bill)

AMENDMENT NO. 1

On page 1, in lines 7 and 8, strike "Board of Public Works" and substitute "<u>Department of Budget and Management</u>"; in line 10, strike "Board" and substitute "<u>Department</u>"; in line 12, after "recipients" insert "<u>, certain regulations, and certain recommended timelines and deadlines</u>"; in line 13, strike "authorizing the Council to"; strike beginning with "requiring" in line 14 down through "circumstances;" in line 24; and strike beginning with "Board" in line 24 down through "requests" in line 26 and substitute "<u>Council to submit a certain report to the Department and the General Assembly on or before a certain date</u>"; and in line 27, strike the second "certain".

On pages 1 and 2, strike beginning with "providing" in line 29 on page 1 down through "regulations;" in line 1 on page 2.

On page 2, in line 1, strike "a certain term" and substitute "<u>certain terms</u>"; strike beginning with "Board" in line 1 down through "jointly" in line 2 and substitute "<u>Department to</u>"; in lines 2 and 3, strike "a certain date" and substitute "<u>certain dates</u>"; and in line 3, after "Council;" insert "<u>providing for the termination of this Act;</u>".

AMENDMENT NO. 2

On page 3, after line 4, insert:

"(IX) THE SECRETARY OF AGRICULTURE, OR THE SECRETARY'S DESIGNEE;

(X) THE SECRETARY OF THE ENVIRONMENT, OR THE SECRETARY'S DESIGNEE;

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(XI) <u>THE STATE SUPERINTENDENT OF SCHOOLS, OR THE</u> <u>STATE SUPERINTENDENT'S DESIGNEE;</u>

(XII) THE DIRECTOR OF THE MARYLAND ENERGY ADMINISTRATION, OR THE DIRECTOR'S DESIGNEE;";

in lines 5 and 11, strike "(IX)" and "(XII)", respectively, and substitute "(XIII)" and "(XVII)", respectively; strike in their entirety lines 7 through 10 and substitute:

"(XIV) THE CHAIR OF THE MARYLAND HIGHER EDUCATION COMMISSION, OR THE CHAIR'S DESIGNEE;

(XV) <u>A REPRESENTATIVE FROM THE MARYLAND</u> ASSOCIATION OF COUNTIES;

(XVI) <u>A REPRESENTATIVE FROM THE MARYLAND MUNICIPAL</u> LEAGUE;";

in line 11, strike "FOUR" and substitute "<u>FIVE</u>"; in line 13, after "GRANTS" insert "<u>AND</u> <u>THAT REFLECT THE SIZE AND DIVERSITY OF THE NONPROFIT GRANT RECIPIENTS</u> <u>IN THE STATE</u>"; in the same line, after "GOVERNOR" insert "<u>;</u>

(XVIII) ONE REPRESENTATIVE OF A PRIVATE NONPROFIT ORGANIZATION, APPOINTED BY THE PRESIDENT OF THE SENATE; AND

(XIV) ONE REPRESENTATIVE OF A PRIVATE NONPROFIT ORGANIZATION, APPOINTED BY THE SPEAKER OF THE HOUSE";

and in line 15, strike "(1)(XII)" and substitute "(1)(XVIII)".

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AMENDMENT NO. 3

On page 4, in lines 7 and 8 and 10, strike "**BOARD OF PUBLIC WORKS**" and substitute "**DEPARTMENT OF BUDGET AND MANAGEMENT**"; in lines 8 and 11, in each instance, strike "2–110" and substitute "<u>2–210</u>"; strike line 15 in its entirety; in line 16, strike "(3)" and substitute "(2)"; after line 17, insert:

"(3) "DEPARTMENT" MEANS THE DEPARTMENT OF BUDGET AND MANAGEMENT.

(4) (1) <u>"Grant" means a legal instrument of financial</u> <u>Assistance between a State grant-making entity and a non-State</u> <u>Entity that is:</u>

1. USED TO ENTER INTO A RELATIONSHIP THE PRINCIPAL PURPOSE OF WHICH IS TO TRANSFER ANYTHING OF VALUE FROM THE GRANT-MAKING ENTITY TO THE GRANT RECIPIENT TO CARRY OUT A PUBLIC PURPOSE AUTHORIZED BY LAW AND NOT TO ACQUIRE PROPERTY OR SERVICES FOR THE DIRECT BENEFIT OR USE OF THE GRANT-MAKING ENTITY; AND

2. <u>DISTINGUISHED FROM A COOPERATIVE</u> <u>AGREEMENT IN THAT IT DOES NOT PROVIDE FOR SUBSTANTIAL INVOLVEMENT</u> <u>BETWEEN THE GRANT–MAKING ENTITY AND THE GRANT RECIPIENT IN CARRYING</u> <u>OUT THE ACTIVITY CONTEMPLATED BY THE AWARD.</u>

(II) <u>"GRANT" DOES NOT INCLUDE AN INSTRUMENT THAT</u> PROVIDES ONLY:

1. <u>DIRECT GOVERNMENT CASH ASSISTANCE TO AN</u> INDIVIDUAL;

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- $\underline{2.}$ <u>A SUBSIDY;</u>
- <u>3.</u> <u>A LOAN;</u>
- 4. <u>A LOAN GUARANTEE;</u>
- 5. INSURANCE;

6. <u>GRANTS MADE BY THE STATE HIGHER EDUCATION</u> SYSTEM, THE CAPITAL BUDGET, THE DEPARTMENT OF TRANSPORTATION, OR THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION;

7. <u>BUSINESS DEVELOPMENT GRANTS MADE BY THE</u> <u>DEPARTMENT OF COMMERCE; OR</u>

8. ANY STATE FUNDING THAT IS REQUIRED ANNUALLY AND IS CALCULATED THROUGH A FORMULA SET IN STATUTE.";

in lines 18 and 23, strike "(4)" and "(5)", respectively, and substitute "(5)" and "(6)", respectively; in line 26, strike "THE" and substitute "IN ORDER TO IMPROVE EFFICIENCY, STREAMLINE AND REDUCE REDUNDANT PROCESSES, REDUCE PAPERWORK AND ADMINISTRATIVE BURDENS ON BOTH GRANTING AGENCIES AND GRANT RECIPIENTS, AND FACILITATE DEVELOPMENT AND IMPLEMENTATION OF A STATEWIDE CENTRALIZED GRANTS MANAGEMENT AND ACCOUNTABILITY SYSTEM, THE"; in line 27, strike "BOARD" and substitute "DEPARTMENT"; and in line 28, after "INCLUDING" insert ":

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On page 5, in lines 3, 4, and 6, strike "(I)", "(II)", and "(III)", respectively, and substitute "<u>1.</u>", "<u>2.</u>", and "<u>3.</u>", respectively; in line 7, after "RECIPIENTS" insert "<u>;</u>

(II) REGULATIONS ADOPTING EACH PART OF THE UNIFORM GUIDANCE, WITH APPROPRIATE MODIFICATIONS FOR ITS APPLICATION TO GRANT-MAKING ENTITIES IN THE STATE, INCLUDING MODIFICATIONS OR VARIANCES BASED ON THE SCOPE OR SIZE OF PARTICULAR GRANT PROGRAMS, GRANT-MAKING ENTITIES, OR GRANTEES;

(III) <u>RECOMMENDED TIMEFRAMES AND DEADLINES FOR THE</u> VARIOUS TASKS INCLUDED IN ITEMS (I) AND (II) OF THIS PARAGRAPH;

(IV) <u>RECOMMENDED</u> <u>DEADLINES</u> FOR USE AND <u>IMPLEMENTATION</u> BY THE VARIOUS GRANT–MAKING ENTITIES OF THE <u>MATERIALS PREPARED IN ACCORDANCE WITH ITEM (I) OF THIS PARAGRAPH; AND</u>

(V) <u>RECOMMENDED DEADLINES FOR GRANT-MAKING</u> <u>ENTITIES TO ADMINISTER STATE AND FEDERAL GRANTS IN ACCORDANCE WITH</u> <u>THE PROVISIONS OF PARTS OF UNIFORM GUIDANCE AS ADOPTED BY THE</u> <u>DEPARTMENT BY REGULATION</u>";

in line 8, after "DEVELOPING" insert "<u>MATERIALS AND</u>"; in line 9, after "COUNCIL" insert "<u>SHALL</u>"; in line 10, strike "SHALL"; in line 12, after "PROFESSIONALS," insert "<u>EXPERTS IN NONPROFIT ACCOUNTING AND AUDITING</u>,"; in line 14, strike "MAY"; in the same line, strike "STAKEHOLDER" and substitute "<u>ISSUE</u>"; and in line 15, strike "TO" and substitute "<u>, COMPOSED OF STAKEHOLDERS REPRESENTING DIVERSE</u> <u>BACKGROUNDS APPROPRIATE TO THE CHARGE OF EACH WORKGROUP, AND ALSO REFLECTING THE DEMOGRAPHIC DIVERSITY OF THE STATE AND THE DIVERSITY</u> OF GRANT PROGRAMS AND GRANT RECIPIENTS, INCLUDING ARTS, HISTORY, AND <u>SOCIAL SERVICE, TO PARTICIPATE IN AND</u>".

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On pages 5 through 7, strike in their entirety the lines beginning with line 16 on page 5 through line 2 on page 7, inclusive, and substitute:

"(C) ON OR BEFORE JULY 1, 2024, THE COUNCIL SHALL SUBMIT A REPORT ON ITS FULL RECOMMENDATIONS AS REQUIRED BY SUBSECTION (B)(1) OF THIS SECTION TO THE DEPARTMENT AND THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE.".

On page 7, in lines 3 and 9, strike "(F)" and "(G)", respectively, and substitute "(D)" and "(E)", respectively; strike beginning with "IMPLEMENTATION" in line 7 down through "ADOPTED" in line 8 and substitute "<u>REPRESENTATION AND</u> <u>PARTICIPATION IN THE PROCESS ESTABLISHED</u>"; in lines 11 and 12, strike "BY **STATE AND LOCAL GRANT-MAKING AGENCIES**"; strike in their entirety lines 13 through 20, inclusive, and substitute:

"<u>SECTION 2. AND BE IT FURTHER ENACTED</u>, That, in accordance with § 2– <u>1257 of the State Government Article</u>, the Department of Budget and Management <u>shall:</u>

(1) on or before December 31, 2021, report to the General Assembly on the implementation of this Act, including the timelines and deadlines recommended by the Maryland Efficient Grant Application Council in accordance with § 2–210(b)(1)(iii) of the State Finance and Procurement Article, as enacted by Section 1 of this Act; and

(2) on or before December 31 of the calendar years 2022 through 2026, report to the General Assembly on the progress of the implementation of this Act, including any recommendations of the Maryland Efficient Grant Application Council.";

in lines 21 and 26, strike "4." and "5.", respectively, and substitute "<u>3.</u>" and "<u>4.</u>", respectively; in line 25, strike "two" and substitute "<u>three</u>"; and in line 27, after "2020."

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insert "It shall remain effective for a period of 5 years and, at the end of June 30, 2025, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.".