

**HB0789/263324/1**

BY: Budget and Taxation Committee

AMENDMENTS TO HOUSE BILL 789  
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 3, strike “**Catastrophic Event Account – Unit of Local Government – Authorized Fund**” and substitute “**Public Safety – State Disaster Recovery Fund**”; in line 4, after “of” insert “establishing the State Disaster Recovery Fund as a special, nonlapsing fund to provide disaster related assistance under certain circumstances; requiring interest earnings of the Fund to be credited to the Fund; requiring the Maryland Department of Emergency Management to administer the State Disaster Recovery Fund;”; in line 9, after “the” insert “State Disaster Recovery Fund and the”; after line 14, insert:

“BY adding to

Article - Public Safety  
Section 14-110.5  
Annotated Code of Maryland  
(2022 Replacement Volume)”;

and strike in their entirety lines 15 through 19, inclusive, and substitute:

“BY repealing and reenacting, without amendments,

Article - State Finance and Procurement  
Section 6-226(a)(2)(i)  
Annotated Code of Maryland  
(2021 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,

Article - State Finance and Procurement  
Section 6-226(a)(2)(ii)170. and 171. and 7-324

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Annotated Code of Maryland  
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BY adding to

Article - State Finance and Procurement

Section 6-226(a)(2)(ii)172.

Annotated Code of Maryland

(2021 Replacement Volume and 2022 Supplement)”.

AMENDMENT NO. 2

On page 5, after line 15, insert:

“Article – Public Safety

14-110.5.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “FUND” MEANS THE STATE DISASTER RECOVERY FUND.

(3) “LOCAL DISASTER DECLARATION” MEANS A FORMAL REQUEST FOR STATE DISASTER RELIEF AND RECOVERY ASSISTANCE MADE AS A RESULT OF AN EMERGENCY BY THE SENIOR ELECTED OFFICIAL THROUGH THE LOCAL ORGANIZATION FOR EMERGENCY MANAGEMENT.

(B) THERE IS A STATE DISASTER RECOVERY FUND.

(C) THE PURPOSE OF THE FUND IS TO PROVIDE:

(1) DISASTER RECOVERY ASSISTANCE TO INDIVIDUALS AND FAMILIES WHEN A UNIT OF LOCAL GOVERNMENT HAS SUBMITTED A REQUEST FOR A DISASTER DECLARATION BUT A FEDERAL DISASTER DECLARATION IS NOT RECEIVED;

(2) DISASTER RECOVERY ASSISTANCE TO UNITS OF LOCAL GOVERNMENT OF THE STATE FOR THE REPAIR, RESTORATION, RECONSTRUCTION, OR REPLACEMENT OF A PUBLIC FACILITY DAMAGED OR DESTROYED WHEN A FEDERAL DISASTER DECLARATION IS NOT RECEIVED;

(3) LOW-INTEREST OR NO-INTEREST LOANS TO BUSINESSES AND NONPROFITS FOR DISASTER RECOVERY ASSISTANCE WHEN A FEDERAL DISASTER DECLARATION IS NOT RECEIVED;

(4) DISASTER-RELATED ASSISTANCE FOR UNMET NEEDS OF INDIVIDUALS AND FAMILIES FOLLOWING A FEDERAL DISASTER DECLARATION;

(5) DISASTER-RELATED ASSISTANCE FOR UNMET NEEDS OF INDIVIDUALS AND FAMILIES WHO HAVE BEEN DENIED FEDERAL ASSISTANCE BUT OTHERWISE MEET CRITERIA ESTABLISHED FOR THE FUND; AND

(6) MATCHING FUNDS FOR ASSISTANCE TO INDIVIDUALS AND STATE AND LOCAL GOVERNMENTAL UNITS AFTER A FEDERAL DISASTER DECLARATION.

(D) THE FUND:

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

(Over)

(2) SHALL BE AVAILABLE IN PERPETUITY FOR THE PURPOSE OF PROVIDING DISASTER RECOVERY ASSISTANCE IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION;

(3) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, MAY BE USED ONLY IF:

(I) THE GOVERNOR HAS DECLARED A STATE OF EMERGENCY; OR

(II) A LOCAL ORGANIZATION FOR EMERGENCY MANAGEMENT REQUESTS ASSISTANCE FROM THE FUND;

(4) IS NOT INTENDED TO DUPLICATE OR REPLACE FEDERAL DISASTER ASSISTANCE; AND

(5) MAY NOT BE USED FOR ANY OTHER PURPOSE OTHER THAN THOSE DESCRIBED IN THIS SECTION.

(E) A PORTION OF THE FUND MAY BE USED TO ADMINISTER THE FUND, INCLUDING PROVIDING DISASTER CASE MANAGEMENT RESOURCES.

(F) (1) THE GOVERNOR MAY INCLUDE IN THE ANNUAL BUDGET AN APPROPRIATION TO THE FUND.

(2) THE FUND SHALL CONSIST OF:

(I) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

(II) REPAYMENTS OF PRINCIPAL AND INTEREST FROM LOANS MADE FROM THE FUND;

(III) REIMBURSEMENTS FROM THE FEDERAL GOVERNMENT OR OTHER LEGAL ENTITIES FOR DISASTER RECOVERY ASSISTANCE EXPENDITURES MADE FROM THE FUND;

(IV) INTEREST EARNINGS OF THE FUND; AND

(V) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(G) (1) (I) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(II) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

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

(H) ANY FUNDS EXPENDED FROM THE FUND ARE SUPPLEMENTAL TO AND ARE NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED TO ELIGIBLE RECIPIENTS FROM THE FUND FOR ANY OTHER PURPOSE.

(Over)

**(I) THE DEPARTMENT SHALL:**

**(1) ADMINISTER THE FUND;**

**(2) ESTABLISH ELIGIBILITY CRITERIA, POLICIES, AND PROCEDURES FOR THE ADMINISTRATION OF THE FUND, WHILE CONSIDERING EXISTING STATE DISASTER RECOVERY PROGRAMS AND FEDERAL DISASTER RELIEF AND RECOVERY REQUIREMENTS; AND**

**(3) CONSULT WITH APPROPRIATE STATE AGENCIES AND LOCAL ORGANIZATIONS FOR EMERGENCY MANAGEMENT IN THE DEVELOPMENT OF ELIGIBILITY CRITERIA, POLICIES, AND PROCEDURES FOR ADMINISTRATION OF THE FUND.**

**(J) THE DEPARTMENT MAY ESTABLISH:**

**(1) REGULATIONS RELATED TO THE ADMINISTRATION OF THE FUND;**

**(2) ACCOUNTS AND SUB-ACCOUNTS WITHIN THE FUND TO EFFECTUATE THE PURPOSES OF THIS SECTION; AND**

**(3) FORMAL ADVISORY BODIES TO ADVISE ON THE ADMINISTRATION OF THE FUND.**

**(K) (1) ON OR BEFORE DECEMBER 31, 2023, AND ON OR BEFORE EACH DECEMBER 31 THEREAFTER, THE SECRETARY SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT**

ARTICLE, THE GENERAL ASSEMBLY ON THE USE OF THE FUND FOR THE PREVIOUS FISCAL YEAR.

(2) THE REPORT SHALL INCLUDE:

(I) THE NUMBER OF STATE OF EMERGENCY DECLARATIONS BY THE GOVERNOR;

(II) THE NUMBER OF LOCAL STATE OF EMERGENCY DECLARATIONS AND LOCAL DISASTER DECLARATIONS SUBMITTED TO THE SECRETARY AND THE REASON FOR EACH DECLARATION;

(III) A SUMMARY OF THE DAMAGE ASSESSMENT DATA RELATED TO EACH DECLARATION, AND THE DISPOSITION OF EACH REQUEST FOR THE PREVIOUS FISCAL YEAR;

(IV) THE AMOUNT OF FUNDING DISTRIBUTED TO EACH ELIGIBLE ENTITY BY THE FUND FOR THE PREVIOUS FISCAL YEAR;

(V) THE FUND BALANCE AT THE END OF THE PREVIOUS FISCAL YEAR;

(VI) ANY FEDERAL DISASTER DECLARATIONS REQUESTED AND ASSOCIATED DAMAGE ASSESSMENT DATA FOR THE PREVIOUS FISCAL YEAR;

(VII) A SUMMARY OF ANY FEDERAL DISASTER ASSISTANCE RECEIVED DURING THE PREVIOUS FISCAL YEAR;

(Over)

**(VIII) A SUMMARY OF ANY REGULATIONS ISSUED RELATED TO THE FUND DURING THE PREVIOUS FISCAL YEAR; AND**

**(IX) ANY RECOMMENDED CHANGES TO THIS SECTION TO INCREASE THE EFFICIENCY AND EFFICACY OF THE FUND.**”;

and after line 16, insert:

“6-226.

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

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

170. the Cannabis Public Health Fund; [and]

171. the Community Reinvestment and Repair Fund; AND

**172. THE STATE DISASTER RECOVERY FUND.**”.