

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 459

(Senator Kagan)

Budget and Taxation

Health and Government Operations

Grant Applications and Reporting - Maryland Efficient Grant Application
Council - Alterations

This bill (1) extends the termination date and most related reporting deadlines for the Maryland Efficient Grant Application Council by four years; (2) adds the Comptroller or designee to the council; (3) makes the Secretary of Budget and Management or designee the chair of the council; (4) removes all references to the Governor’s Grants Office from the council’s authorizing statute; and (5) requires the council to study and make recommendations regarding the creation of a State Grants Ombudsperson to provide specified technical assistance to applicants for State grants. **The bill takes effect July 1, 2024, and terminates June 30, 2029.**

Fiscal Summary

State Effect: None. Extending the council’s term has no material effect on governmental finances. Members of the council can continue to carry out their staffing responsibilities and conduct the required study with existing budgeted resources. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The bill extends the council’s termination date from June 30, 2025, to June 30, 2029, and extends the deadline for its report on its full recommendations from July 1, 2024, to July 1, 2027. Mandated annual reports to the General Assembly on the council’s progress are also extended through calendar 2028.

The council must study the feasibility, cost, and impacts of designating a State Grants Ombudsperson and, by July 1, 2025, make recommendations regarding the designation of an ombudsperson, including recommended timelines and deadlines, to the Department of Budget and Management (DBM). DBM must then report to the General Assembly on the council's recommendations by December 31, 2025.

Consistent with the Governor's Grants Office no longer having a role with the council, DBM assumes responsibility for providing technical assistance under the bill. Also, each State grant-making agency's chief accountability officer must serve as a liaison to DBM as well as the council.

Current Law: Chapters 484 and 485 of 2020 established the Maryland Efficient Grant Application Council to study and make recommendations to the Governor's Grants Office and DBM regarding the entire grants life cycle. Staffing responsibilities for the council are shared by its member agencies.

By July 1, 2024, the council must submit a report on its full recommendations to DBM and the General Assembly. DBM must submit reports to the General Assembly on the council's progress (annually from calendar 2021 through 2026). The Acts also required, by October 1, 2020, that each State grant-making agency appoint a chief accountability officer to serve as liaison to the council and perform other related responsibilities. The council is scheduled to terminate June 30, 2025.

Additional Comments: Under the bill, the council is extended by four years, through June 30, 2029, but the deadline for submitting its full recommendations is extended by only three years, to July 1, 2027.

The Governor's Office advises that the Grants Office's priorities are being realigned and that DBM is assuming responsibility for its prior functions.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 418 (Delegate Stein, *et al.*) - Health and Government Operations.

Information Source(s): Comptroller's Office; Governor's Office; Department of Budget and Management; Department of Legislative Services

Fiscal Note History: First Reader - February 2, 2024
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