

Chapter 314

(Senate Bill 365)

AN ACT concerning

Department of Commerce – Nonprofit Organizations Navigator – Established

FOR the purpose of establishing a nonprofit organizations navigator within the Department of Commerce; specifying the duties of the navigator; altering the composition and duties of the Maryland Efficient Grant Application Council; and generally relating to the nonprofit organizations navigator and the Maryland Efficient Grant Application Council.

BY adding to

Article – Economic Development
Section 2.5–110
Annotated Code of Maryland
(2024 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement
Section 2–209 and 2–210
Annotated Code of Maryland
(2021 Replacement Volume and 2024 Supplement)

BY repealing

Chapter 28 of the Acts of the General Assembly of 2024
Section 2

BY repealing

Chapter 29 of the Acts of the General Assembly of 2024
Section 2

BY repealing and reenacting, with amendments,

Article – Economic Development
Section 2.5–110
Annotated Code of Maryland
(2024 Replacement Volume and 2024 Supplement)
(As enacted by Section 1 of this Act)

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

Article – Economic Development**2.5–110.**

(A) THERE IS A NONPROFIT ORGANIZATIONS NAVIGATOR IN THE DEPARTMENT.

(B) THE SECRETARY SHALL DESIGNATE THE NAVIGATOR.

(C) THE NAVIGATOR SHALL:

(1) PROVIDE TECHNICAL ASSISTANCE TO NONPROFIT ORGANIZATIONS IN OBTAINING ACCESS TO AND APPLYING FOR STATE GRANT PROGRAMS;

(2) WORK WITH NONPROFIT ORGANIZATIONS AND UNITS OF STATE GOVERNMENT TO RESOLVE PROCEDURAL COMPLEXITIES AND DELAYS IN STATE GRANT-MAKING PROCESSES;

(3) COLLECT AND SHARE INFORMATION ON OPPORTUNITIES FOR FEDERAL, STATE, AND LOCAL GRANTS WITH NONPROFIT ORGANIZATIONS; AND

(4) REPRESENT NONPROFIT ORGANIZATIONS' INTERESTS AND CONCERNS AS A MEMBER OF THE MARYLAND EFFICIENT GRANT APPLICATION COUNCIL ESTABLISHED UNDER § 2-209 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

~~(D) THE NAVIGATOR MAY NOT PROVIDE SERVICES TO A NONPROFIT ORGANIZATION IN THE STATE THAT PROVIDES A TOTAL ANNUAL COMPENSATION EXCEEDING \$250,000 TO ANY SINGLE SALARIED EMPLOYEE.~~

Article – State Finance and Procurement

2-209.

(a) In this section, “Council” means the Maryland Efficient Grant Application Council.

(b) There is a Maryland Efficient Grant Application Council.

(c) (1) The Council consists of the following members:

(i) the Chief Procurement Officer, or the Chief Procurement Officer’s designee;

(ii) the State Treasurer, or the State Treasurer’s designee;

- (iii) the Comptroller, or the Comptroller's designee;
- (iv) the Attorney General, or the Attorney General's designee;
- (v) the Secretary of Budget and Management, or the Secretary's designee;
- (vi) the Secretary of Health, or the Secretary's designee;
- (vii) the Secretary of Human Services, or the Secretary's designee;
- (viii) the Secretary of Housing and Community Development, or the Secretary's designee;
- (ix) the Secretary of Agriculture, or the Secretary's designee;
- (x) the Secretary of the Environment, or the Secretary's designee;
- (xi) the State Superintendent of Schools, or the State Superintendent's designee;
- (xii) the Director of the Maryland Energy Administration, or the Director's designee;
- (xiii) the Executive Director of the Governor's Office of Crime Prevention and Policy, or the Executive Director's designee;
- (xiv) the chair of the Maryland Higher Education Commission, or the chair's designee;
- (xv) the Secretary of Natural Resources, or the Secretary's designee;
- (xvi) **THE NONPROFIT ORGANIZATIONS NAVIGATOR, OR THE NAVIGATOR'S DESIGNEE, WHO SHALL SERVE AS A NONVOTING MEMBER;**
- (XVII)** a representative from the Maryland Association of Counties;
- [(xvii)] (XVIII)** a representative from the Maryland Municipal League;
- [(xviii)] (XIX)** five representatives of private nonprofit organizations with experience providing services funded by State or federal grants and that reflect the size and diversity of the nonprofit grant recipients in the State, appointed by the Governor;

[(xix)] **(XX)** one representative of a private nonprofit organization, appointed by the President of the Senate; and

[(xx)] **(XXI)** one representative of a private nonprofit organization, appointed by the Speaker of the House.

(2) (i) This paragraph applies to members of the Council appointed under paragraph [(1)(xviii)] **(1)(XIX)** of this subsection.

(ii) The term of a member is 4 years.

(iii) The terms of members are staggered as required by the terms provided for members of the Council on July 1, 2020.

(iv) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

(v) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(vi) The Governor may remove a member for neglect of duty, incompetence or misconduct.

(d) The Secretary of Budget and Management, or the Secretary's designee shall serve as Chair of the Council.

(e) The staffing responsibilities of the Council shall be shared by the agencies represented on the Council.

(f) A member of the Council:

(1) may not receive compensation as a member of the Council; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State Budget.

(g) The Council shall:

(1) advise the Department of Budget and Management on the implementation of § 2–210 of this subtitle; and

(2) monitor and report to the Department of Budget and Management on the State's progress towards implementing § 2–210 of this subtitle.

2–210.

(a) (1) In this section the following words have the meanings indicated.

(2) “Council” means the Maryland Efficient Grant Application Council established under § 2–209 of this subtitle.

(3) “Department” means the Department of Budget and Management.

(4) (i) “Grant” means a legal instrument of financial assistance between a State grant-making entity and a non-State entity that is:

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. distinguished from a cooperative agreement in that it does not provide for substantial involvement between the grant-making entity and the grant recipient in carrying out the activity contemplated by the award.

(ii) “Grant” does not include an instrument that provides only:

1. direct government cash assistance to an individual;

2. a subsidy;

3. a loan;

4. a loan guarantee;

5. insurance;

6. grants made by the State higher education system, the capital budget, the Department of Transportation, or the Maryland Technology Development Corporation;

7. business development grants made by the Department of Commerce; or

8. any State funding that is required annually and is calculated through a formula set in statute.

(5) “Grant application form” means a grant application template and related materials required to be submitted by grant applicants, including:

(i) required organizational materials; and

- (ii) proposed budget categories and line items.

(6) “Uniform Guidance” means the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200.

(b) (1) 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 Council shall study and make recommendations to the Department regarding the entire grants life cycle, including:

(i) the creation of the following materials for use by grant-making agencies, grant applicants, and grant recipients in the State:

1. a uniform grant application form;
2. uniform financial controls and reporting requirements for grant recipients; and
3. uniform performance progress reporting requirements for grant recipients;

(ii) [the creation of a State Grants Ombudsperson to provide technical assistance with:

1. accessing and navigating State grant programs;
2. resolving delays in the grant-making process; and
3. collecting and disseminating information on opportunities for grants from federal, State, and local government;

(iii)] 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;

[(iv)] **(III)** recommended timeframes and deadlines for the various tasks included in items (i) [through (iii)] **AND (II)** of this paragraph;

[(v)] **(IV)** recommended deadlines for use and implementation by the various grant-making entities of the materials prepared in accordance with item (i) of this paragraph; and

[(vi)] (v) recommended deadlines for grant-making entities to administer State and federal grants in accordance with the provisions of parts of uniform guidance as adopted by the Department by regulation.

(2) In developing materials and recommendations under this subsection, the Council shall:

(i) solicit the input of diverse stakeholders, including grant-making agencies and organizations representing local governments, grant professionals, experts in nonprofit accounting and auditing, and nonprofit service providers; and

(ii) establish one or more issue working groups, composed of stakeholders representing diverse backgrounds appropriate to the charge of each workgroup, and also reflecting the demographic diversity of the State and the diversity of grant programs and grant recipients, including arts, history, and social service, to participate in and facilitate the process of developing recommendations.

(c) On or before July 1, 2027, 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.

(d) On or before October 1, 2020, each State grant-making agency shall appoint a Chief Accountability Officer who shall:

(1) serve as a liaison to the Council and the Department; and

(2) be responsible for the agency's representation and participation in the process established under this section.

(e) The Department shall provide technical assistance and interpretations of policy requirements in order to ensure the effective and efficient implementation of this section.

Chapter 28 of the Acts of 2024

[SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The Maryland Efficient Grant Application Council shall:

(1) study the feasibility, cost, and impacts of designating a State Grants Ombudsperson in accordance with § 2-210(b)(1)(ii) of the State Finance and Procurement Article, as enacted by Section 1 of this Act; and

(2) on or before July 1, 2025, make recommendations regarding the designation of a State Grants Ombudsperson, including recommended timelines and deadlines, to the Department of Budget and Management.

(b) On or before December 31, 2025, the Department of Budget and Management shall, in accordance with § 2–1257 of the State Government Article, report to the General Assembly on the recommendations made by the Maryland Efficient Grant Application Council under subsection (a) of this section.]

Chapter 29 of the Acts of 2024

[SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The Maryland Efficient Grant Application Council shall:

(1) study the feasibility, cost, and impacts of designating a State Grants Ombudsperson in accordance with § 2–210(b)(1)(ii) of the State Finance and Procurement Article, as enacted by Section 1 of this Act; and

(2) on or before July 1, 2025, make recommendations regarding the designation of a State Grants Ombudsperson, including recommended timelines and deadlines, to the Department of Budget and Management.

(b) On or before December 31, 2025, the Department of Budget and Management shall, in accordance with § 2–1257 of the State Government Article, report to the General Assembly on the recommendations made by the Maryland Efficient Grant Application Council under subsection (a) of this section.]

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Economic Development

2.5–110.

(a) There is a nonprofit organizations navigator in the Department.

(b) The Secretary shall designate the navigator.

(c) The navigator shall:

(1) provide technical assistance to nonprofit organizations in obtaining access to and applying for State grant programs;

(2) work with nonprofit organizations and units of State government to resolve procedural complexities and delays in State grant–making processes; **AND**

(3) collect and share information on opportunities for federal, State, and local grants with nonprofit organizations[]; and

(4) represent nonprofit organizations' interests and concerns as a member of the Maryland Efficient Grant Application Council established under § 2–209 of the State Finance and Procurement Article].

SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the nonprofit organization navigator position established under Section 1 of this Act shall be filled on or before ~~January 1, 2026~~ July 1, 2025.

SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect on the taking effect of the termination provision specified in Section 4 of Chapters 484 and 485 of the Acts of the General Assembly of 2020. If the termination date of Chapters 484 or 485 is amended, Section 2 of this Act shall take effect on the termination of Chapters 484 or 485. This Act may not be interpreted to have any effect on that termination provision.

SECTION 5. AND BE IT FURTHER ENACTED, That:

(a) On or before January 1, 2027, the Department of Commerce shall report to the Senate Finance Committee and the House Health and Government Operations Committee, in accordance with § 2–1257 of the State Government Article, on the following information for fiscal year 2026:

(1) the number of nonprofit organizations that received technical assistance from the navigator in accordance with Section 1 of this Act;

(2) the total number of grant applications completed and submitted by nonprofit organizations in the State as a result of receiving technical assistance from the navigator in accordance with Section 1 of this Act;

(3) the total amount of grant funds awarded to nonprofit organizations in the State as a result of receiving technical assistance from the navigator in accordance with Section 1 of this Act; and

(4) any findings and recommendations of the Department regarding the implementation of Section 1 of this Act.

(b) The Department shall collect sufficient information from the nonprofit organizations that receive technical assistance in accordance with Section 1 of this Act to complete the report required under subsection (a) of this section.

SECTION 6. AND BE IT FURTHER ENACTED, That, ~~except as provided in Section 4 of this Act, this Act shall take effect July 1, 2025~~ is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a ye and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted. It shall remain effective through June 30, 2027, and, at the end of June 30, 2027, this Act, with no further

action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, May 6, 2025.