

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 1005
Finance

(Senator Benson)

Federally Qualified Health Centers Grant Program - Acquisition of Land

This bill authorizes the Board of Public Works (BPW), on the recommendation of the Secretary of Health, to make grants to counties, municipal corporations, and nonprofit organizations for the acquisition of land for the construction or use of a federally qualified health center (FQHC) as part of the FQHC Grant Program.

Fiscal Summary

State Effect: The bill primarily alters the purposes for which existing funds may be used. To the extent it requires administrative changes, BPW and the Maryland Department of Health (MDH) can handle them with existing budgeted resources.

Local Effect: To the extent that local governments apply for FQHC funding under the bill, local government revenues and expenditures may increase.

Small Business Effect: None.

Analysis

Current Law: Chapter 277 of 2005 established the FQHC Grant Program. Grants awarded under this capital program may be used for projects involving a facility designated as an FQHC under § 330 of the federal Public Health Service Act and wholly owned and operated by a county, municipal corporation, or nonprofit organization.

Any county, municipal corporation, or nonprofit organization that is sponsoring a project involving the construction, acquisition, renovation, or equipping of an FQHC may apply to MDH for a State grant toward the cost of the project. A State grant must provide up to

75% of the eligible costs remaining after any federal grant is applied, or, if the project is designated as eligible for poverty area funding, up to 90% of the eligible costs remaining after any federal grant is applied. The county, municipal corporation, or nonprofit organization sponsoring the project is responsible for providing matching funds for the remaining cost. On approval of a project and the project plans, the Secretary of Health must promptly report the application to BPW, together with the Secretary's recommendation that BPW make funds available for the project.

Additional Information

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

Designated Cross File: HB 43 (Delegate J. Lewis) - Appropriations.

Information Source(s): Anne Arundel, Baltimore, Charles, Dorchester, Garrett, and Howard counties; Maryland Association of Counties; City of Havre de Grace; Maryland Department of Health; Board of Public Works; Department of Legislative Services

Fiscal Note History: First Reader - February 23, 2025
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