

February 6, 2024

Testimony on House Bill 418
Grants Applications and Reporting
Maryland Efficient Grant Application Council - Alterations
House Health and Government Operations Committee

Position: Favorable

Maryland Nonprofits is a statewide association of almost 1800 nonprofit organizations and institutions. We urge you to support House Bill 418 to extend the term and modify the composition of the Maryland Efficient Grant Application (or “MEGA”) Council. This legislation will extend the life of the effort to reform state grants processes through the Maryland Efficient Grant Application Council until at least 2028, and to its membership.

The Council was created by legislation in 2020 to address inefficiency and inconsistency in state grants administration, by legislation (HB 1539 and SB 620) that passed both houses without a dissenting vote in committee or on the floor.

Today as in 2020, basic budgetary and organizational information required for grant applications and financial reporting, as well as invoicing and monitoring policies, vary among, state agencies. This ‘fragmentation’ leads to duplication of effort, and to conflicting ‘business practices’ adopted on a program—by-program basis, and imposes unnecessary hardships on grantees and consume resources that could provide services. The lack of standardization also inhibits efficiencies that could be obtained at the State level by streamlining common steps and processes, and the development of effective state-level tracking or accountability.

The Council was [established at the onset of the pandemic](#) to develop and recommend a new standardized structure for state grants documents and processing, and where reasonable to be consistent with federal grants standards. Its work was seriously obstructed by COVID and the resulting lack of staff support during the last administration.

House Bill 418 will also add the Comptroller to the Council, and charge the Council to study and make recommendations on the creation of a “State Grants Ombudsperson” to provide technical assistance with:

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

Creation of an Ombudsman in the Governor's Office would certainly help to expedite attention to and resolution of what seem to be everyday problems with the timely release and approval of grant announcements and agreements, payment terms and delays, and invoicing requirements. This would be extremely helpful to services providers as the Council pursues its mission, and its recommendations are being implemented.

We do recommend and amendment to remove the Legislative Auditor from the bill.

Thank you for your support in passing the initial legislation and we ask for a favorable report with the recommended amendment on House Bill 418.