

## Chapter 517

**(House Bill 449)**

AN ACT concerning

**Comprehensive Flood Management Grant Program – Funding for Underserved and Overburdened Communities**

FOR the purpose of requiring a certain percentage of funding provided under the comprehensive flood management grant program to be used for projects located in or directly benefiting underserved or overburdened communities in certain fiscal years; ~~requiring~~ authorizing the Governor to include in the annual State budget an appropriation for the comprehensive flood management grant program of ~~at least~~ up to a certain amount in certain fiscal years; and generally relating to the comprehensive flood management grant program.

BY repealing and reenacting, with amendments,  
 Article – Environment  
 Section 5–803(h)  
 Annotated Code of Maryland  
 (2013 Replacement Volume and 2023 Supplement)

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

**Article – Environment**

5–803.

(h) (1) There is a comprehensive flood management grant program within the Department.

(2) (i) Subject to the approval of the Board of Public Works, the Department may use proceeds from the State debt created to fund the comprehensive flood management grant program to pay the entire cost of watershed studies pursuant to subsection (b) of this section.

(ii) The Department may provide grants to subdivisions to pay the entire cost of watershed studies when the Department delegates that responsibility pursuant to subsection (b) of this section.

(3) (i) Subject to the approval of the Board of Public Works, the Department may provide grants to subdivisions for flood control and watershed management capital projects, and for the capital costs related to design, purchase, and installation of automated flood warning projects, provided that the projects are consistent

with the plans and implementation prepared and adopted in accordance with this subtitle, and provided further that each project:

1. Is undertaken as part of a comprehensive flood management plan prepared and adopted by the subdivision; and

2. Is not inconsistent with any State or interjurisdictional flood management plan.

(ii) Grants for automated flood warnings projects shall be conditioned to require all affected local governing bodies to:

1. Adopt a specific and compatible response plan which has been coordinated with local emergency management authorities and reviewed and approved by the Department and the Maryland Department of Emergency Management; and

2. Provide for financial and other commitments to properly operate and maintain the project.

(iii) 1. The amount of any grant made by the Department for a flood control and watershed management capital project that involves only nonfederal funds and meets the criteria of this subtitle shall be matched by a minimum amount of 25% of project costs in local government or private funds.

2. For a flood control and watershed management capital project that involves federal funding and meets the criteria of this subtitle:

A. The Department may provide up to 50% of the nonfederal share of the project funding; and

B. Local government or private funds shall provide not less than 50% of the nonfederal share of the project funding.

(iv) Each project application for a grant under this paragraph shall be submitted to and reviewed by the State clearinghouse of the Department of Planning in accordance with established clearinghouse procedures.

(4) (i) Subject to the approval of the Board of Public Works, the Department may provide grants to subdivisions immediately after a flood for acquisition of any flood damaged owner-occupied dwelling.

(ii) Total expenditures for grants made under this paragraph may not exceed 50% of the total authorized budgeted funds in a fiscal year for grants under this subsection.

(5) (i) The Department may award grants to subdivisions that have incurred at least \$1,000,000 in infrastructure damage caused by a flood event that occurred on or after January 1, 2009.

(ii) The total amount of grants awarded by the Department to subdivisions under this paragraph may:

1. For fiscal years 2020, 2021, and 2022, equal up to 100% of the total amount of money appropriated to the comprehensive flood management program; and

2. For fiscal year 2023 and each fiscal year thereafter, equal up to 50% of the total amount of money appropriated to the comprehensive flood management program.

(iii) A grant awarded to a subdivision under this paragraph may be:

1. For an amount of up to 50% of the combined cost of infrastructure repairs, watershed restoration, and emergency work associated with the flood event;

2. Used for infrastructure repairs, watershed management, or emergency protection work associated with the flood event; and

3. Used for expenses associated with item 2 of this subparagraph that the subdivision has already incurred.

(iv) The Department shall prioritize awarding grants under this paragraph to subdivisions in which:

1. Infrastructure damage occurred in an area designated by the Maryland Historical Trust as an historic district; or

2. Infrastructure damage caused by a flood event has occurred more than once within the previous 5 years.

(6) To receive a grant, the subdivision must participate in the national flood insurance program.

(7) Before awarding a grant under paragraphs (2), (3), or (4) of this subsection, the Department, in cooperation with the Department of Planning, shall review the flood control and watershed management operations of the applicant subdivision to assure that the flood control and watershed management operations are in compliance with this subtitle.

(8) (i) **[The] FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, THE** Governor ~~shall~~ **MAY** include in the annual State budget an appropriation for the comprehensive flood management grant program of ~~at least~~:

1. For fiscal year 2021, \$3,000,000;
2. For fiscal year 2022, \$3,000,000; and
3. For fiscal year 2023, \$2,000,000] **UP TO \$20,000,000.**

(ii) **~~IN~~ FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, AT LEAST 40% OF FUNDING PROVIDED UNDER THE COMPREHENSIVE FLOOD MANAGEMENT GRANT PROGRAM SHALL BE USED FOR PROJECTS LOCATED IN OR DIRECTLY BENEFITING UNDERSERVED OR OVERBURDENED COMMUNITIES, AS DEFINED IN § 1-701 OF THIS ARTICLE.**

(III) Funds not awarded from the comprehensive flood management grant program by the end of a fiscal year:

1. Shall remain in the program; and
2. Are not subject to § 7-302 of the State Finance and Procurement Article.

(9) (i) The Department, in consultation with the Department of Planning, shall adopt regulations necessary for the administration of the grant program.

- (ii) These regulations may include:
1. A determination of statewide and interjurisdictional needs and priorities;
  2. Standards of eligibility for applicants and projects;
  3. Criteria for recognition of tidal and nontidal areas;
  4. Engineering and economic standards and alternatives;
- and
5. Procedures for filing and processing contents of applications.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2024.

**Approved by the Governor, May 9, 2024.**