

SENATE BILL 365

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By: **Senators Kagan, Sydnor, and M. Washington**

Introduced and read first time: January 17, 2025

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Department of Commerce – Nonprofit Organizations Navigator – Established**

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

8 BY adding to

9 Article – Economic Development

10 Section 2.5–110

11 Annotated Code of Maryland

12 (2024 Replacement Volume and 2024 Supplement)

13 BY repealing and reenacting, with amendments,

14 Article – State Finance and Procurement

15 Section 2–209 and 2–210

16 Annotated Code of Maryland

17 (2021 Replacement Volume and 2024 Supplement)

18 BY repealing

19 Chapter 28 of the Acts of the General Assembly of 2024

20 Section 2

21 BY repealing

22 Chapter 29 of the Acts of the General Assembly of 2024

23 Section 2

24 BY repealing and reenacting, with amendments,

25 Article – Economic Development

26 Section 2.5–110

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland
2 (2024 Replacement Volume and 2024 Supplement)
3 (As enacted by Section 1 of this Act)

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

6 **Article – Economic Development**

7 **2.5–110.**

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

10 (B) THE SECRETARY SHALL DESIGNATE THE NAVIGATOR.

11 (C) THE NAVIGATOR SHALL:

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

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

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

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

24 **Article – State Finance and Procurement**

25 **2–209.**

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

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

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

- 1 (i) the Chief Procurement Officer, or the Chief Procurement
2 Officer's designee;
- 3 (ii) the State Treasurer, or the State Treasurer's designee;
- 4 (iii) the Comptroller, or the Comptroller's designee;
- 5 (iv) the Attorney General, or the Attorney General's designee;
- 6 (v) the Secretary of Budget and Management, or the Secretary's
7 designee;
- 8 (vi) the Secretary of Health, or the Secretary's designee;
- 9 (vii) the Secretary of Human Services, or the Secretary's designee;
- 10 (viii) the Secretary of Housing and Community Development, or the
11 Secretary's designee;
- 12 (ix) the Secretary of Agriculture, or the Secretary's designee;
- 13 (x) the Secretary of the Environment, or the Secretary's designee;
- 14 (xi) the State Superintendent of Schools, or the State
15 Superintendent's designee;
- 16 (xii) the Director of the Maryland Energy Administration, or the
17 Director's designee;
- 18 (xiii) the Executive Director of the Governor's Office of Crime
19 Prevention and Policy, or the Executive Director's designee;
- 20 (xiv) the chair of the Maryland Higher Education Commission, or the
21 chair's designee;
- 22 (xv) the Secretary of Natural Resources, or the Secretary's designee;
- 23 (xvi) **THE NONPROFIT ORGANIZATIONS NAVIGATOR, OR THE**
24 **NAVIGATOR'S DESIGNEE, WHO SHALL SERVE AS A NONVOTING MEMBER;**
- 25 **(XVII)** a representative from the Maryland Association of Counties;
- 26 **[(xvii)] (XVIII)** a representative from the Maryland Municipal
27 League;

1 [(xviii)] **(XIX)** five representatives of private nonprofit
2 organizations with experience providing services funded by State or federal grants and that
3 reflect the size and diversity of the nonprofit grant recipients in the State, appointed by the
4 Governor;

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

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

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

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

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

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

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

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

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

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

24 (f) A member of the Council:

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

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

28 (g) The Council shall:

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

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

3 2–210.

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

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

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

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

10 1. used to enter into a relationship the principal purpose of
11 which is to transfer anything of value from the grant-making entity to the grant recipient
12 to carry out a public purpose authorized by law and not to acquire property or services for
13 the direct benefit or use of the grant-making entity; and

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

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

18 1. direct government cash assistance to an individual;

19 2. a subsidy;

20 3. a loan;

21 4. a loan guarantee;

22 5. insurance;

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

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

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

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

3 (i) required organizational materials; and

4 (ii) proposed budget categories and line items.

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

8 (b) (1) In order to improve efficiency, streamline and reduce redundant
9 processes, reduce paperwork and administrative burdens on both granting agencies and
10 grant recipients, and facilitate development and implementation of a statewide centralized
11 grants management and accountability system, the Council shall study and make
12 recommendations to the Department regarding the entire grants life cycle, including:

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

15 1. a uniform grant application form;

16 2. uniform financial controls and reporting requirements for
17 grant recipients; and

18 3. uniform performance progress reporting requirements for
19 grant recipients;

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

22 1. accessing and navigating State grant programs;

23 2. resolving delays in the grant-making process; and

24 3. collecting and disseminating information on opportunities
25 for grants from federal, State, and local government;

26 (iii)] regulations adopting each part of the uniform guidance, with
27 appropriate modifications for its application to grant-making entities in the State,
28 including modifications or variances based on the scope or size of particular grant
29 programs, grant-making entities, or grantees;

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

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

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

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

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

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

17 (c) On or before July 1, 2027, the Council shall submit a report on its full
18 recommendations as required by subsection (b)(1) of this section to the Department and the
19 General Assembly, in accordance with § 2-1257 of the State Government Article.

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

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

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

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

28 Chapter 28 of the Acts of 2024

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

30 (a) The Maryland Efficient Grant Application Council shall:

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

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

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

8 Chapter 29 of the Acts of 2024

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

10 (a) The Maryland Efficient Grant Application Council shall:

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

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

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

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

23 Article – Economic Development

24 2.5–110.

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

26 (b) The Secretary shall designate the navigator.

27 (c) The navigator shall:

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

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

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

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

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

9 SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take
10 effect on the taking effect of the termination provision specified in Section 4 of Chapters
11 484 and 485 of the Acts of the General Assembly of 2020. If the termination date of Chapters
12 484 or 485 is amended, Section 2 of this Act shall take effect on the termination of Chapters
13 484 or 485. This Act may not be interpreted to have any effect on that termination provision.

14 SECTION 5. AND BE IT FURTHER ENACTED, That, except as provided in Section
15 4 of this Act, this Act shall take effect July 1, 2025.