P2, M4	0lr1262
	CF SB 985

By: Delegates Charkoudian, Arikan, Bagnall, Beitzel, Carr, Crosby, Cullison, Fraser-Hidalgo, Guyton, M. Jackson, Jacobs, Kerr, Kittleman, Korman, Krimm, McKay, Otto, Pippy, Shetty, Solomon, Stewart, Szeliga, and Terrasa <u>Terrasa, Barron, Belcastro, Bhandari, Charles, Chisholm, Hill, Johnson, Kelly, Kipke, Krebs, R. Lewis, Morgan, Pena-Melnyk, Pendergrass, Reilly, Rosenberg, Saab, Sample-Hughes, and K. Young</u>

Introduced and read first time: February 7, 2020 Assigned to: Health and Government Operations

Committee Report: Favorable with amendments House action: Adopted Read second time: March 11, 2020

CHAPTER _____

1 AN ACT concerning

Certified Local Farm Enterprise Program and Certified Local Farm Enterprise Food Aggregation Grant Fund – Establishment

FOR the purpose of establishing the Office for the Certified Local Farm Enterprise Program 4 $\mathbf{5}$ in the Department of Agriculture; stating the purpose of the Office; establishing the 6 Certified Local Farm Enterprise Program in the Office; requiring the Department to 7 create a certain number of positions to provide staff for the Office; establishing a 8 certain goal for a unit's procurement contracts for food; prohibiting a certain 9 procurement contract from being counted in a certain manner; authorizing a unit to 10 achieve a certain goal in a certain manner; requiring a unit to award a contract conducted in a certain manner to a certain responsible bidder or offeror that submits 11 a bid or offer that meets certain qualifications; requiring the Office, in consultation 1213 with the Secretary of Agriculture, to establish certain guidelines; requiring each unit 14to take certain actions to implement and comply with the Program; requiring the 15Office to establish certain procedures in consultation with the Secretary; providing 16 for the waiver of certain goals under certain circumstances; requiring the Office to 17submit a certain report regarding waivers to the Board of Public Works on or before 18 a certain date each year; requiring the Board to keep certain records regarding 19 certain waivers and submit a copy of the records to certain committees of the General Assembly on or before a certain date each year; requiring the Office to adopt certain 20

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 regulations; authorizing the Office to take certain actions regarding certification and $\mathbf{2}$ decertification of certified local farm enterprises; authorizing a certain court to pass 3 a certain order under certain circumstances; requiring the Office to make available 4 a certain fraud hotline; requiring each unit to report certain information within a $\mathbf{5}$ certain time frame to the Office in accordance with certain requirements; requiring 6 certain policies for certain universities to require, to the maximum extent $\overline{7}$ practicable, the purchasing of food in accordance with the Program; providing that 8 the Program applies to certain universities; requiring the Department to develop and 9 maintain a certain directory of all certified local farm enterprises and make the 10 directory available to the public in a certain manner; providing that the directory contains certain information and be maintained in a certain manner; establishing 11 12the Certified Local Farm Enterprise Food Aggregation Grant Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Maryland 13 Agricultural and Resource–Based Industry Development Corporation to administer 1415the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to 16 account for the Fund; specifying the contents of the Fund; specifying the purpose for 17which the Fund may be used; providing for the investment of money in and 18 expenditures from the Fund: requiring interest earnings of the Fund to be credited to the Fund; exempting the Fund from a certain provision of law requiring interest 19 earnings on State money to accrue to the General Fund of the State; defining certain 2021terms; and generally relating to the Certified Local Farm Enterprise Program.

- 22 BY repealing and reenacting, without amendments,
- 23 Article State Finance and Procurement
- 24 Section 6-226(a)(2)(i) and 11-203(e)(1), (2), and (7)
- 25 Annotated Code of Maryland
- 26 (2015 Replacement Volume and 2019 Supplement)
- 27 BY repealing and reenacting, with amendments,
- 28 Article State Finance and Procurement
- 29 Section 6-226(a)(2)(ii)121. and 122. and 11-203(e)(4) and (5)
- 30 Annotated Code of Maryland
- 31 (2015 Replacement Volume and 2019 Supplement)

32 BY adding to

- 33 Article State Finance and Procurement
- Section 6-226(a)(2)(ii)123.; and 14-701 through 14-708 to be under the new subtitle
 "Subtitle 7. Certified Local Farm Enterprise Program"
- 36 Annotated Code of Maryland
- 37 (2015 Replacement Volume and 2019 Supplement)
- 38 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 39 That the Laws of Maryland read as follows:
- 40 Article State Finance and Procurement
- 41 6-226.

$egin{array}{c} 1 \\ 2 \\ 3 \\ 4 \\ 5 \\ 6 \end{array}$	(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.
7 8	(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:
9 10	121. the Markell Hendricks Youth Crime Prevention and Diversion Parole Fund; [and]
$\begin{array}{c} 11 \\ 12 \end{array}$	122. the Federal Government Shutdown Employee Assistance Loan Fund ; AND
13 14	123. THE CERTIFIED LOCAL FARM ENTERPRISE FOOD AGGREGATION GRANT FUND.
15	11–203.
$\begin{array}{c} 16 \\ 17 \end{array}$	(e) (1) In this subsection, "University" means the University System of Maryland, Morgan State University, or St. Mary's College of Maryland.
18 19 20	(2) Except as otherwise provided in this subsection, this Division II does not apply to the University System of Maryland, Morgan State University, or St. Mary's College of Maryland.
21	(4) A University's policies shall:
$\begin{array}{c} 22\\ 23 \end{array}$	(i) to the maximum extent practicable, require the purchasing of supplies and services in accordance with Title 14, Subtitle 1 of this article;
$\begin{array}{c} 24\\ 25\\ 26 \end{array}$	(ii) promote the purposes of the regulations adopted by the Department of General Services governing the procurement of architectural and engineering services;
27 28	(iii) promote the purposes of § 13–402 of the State Personnel and Pensions Article; [and]
29 30	(iv) to the maximum extent practicable, be similar to § 13–218.1 of this article; AND

	4 HOUSE BILL 1488
$egin{array}{c} 1 \\ 2 \\ 3 \end{array}$	(V) TO THE MAXIMUM EXTENT PRACTICABLE, REQUIRE THE PROCUREMENT OF FOOD IN ACCORDANCE WITH TITLE 14, SUBTITLE 7 OF THIS ARTICLE.
4 5	(5) (i) Except as provided in paragraph (7) of this subsection, the following provisions of Division II of this article apply to a University:
6	1. § 11–205 of this subtitle ("Collusion");
7 8	2. § 11–205.1 of this subtitle ("Falsification, concealment, etc., of material facts");
9 10	3. § 13–219 of this article ("Required clauses – Nondiscrimination clause");
11	4. § 13–225 of this article ("Retainage");
12 13	5. Title 14, Subtitle 3 of this article ("Minority Business Participation");
$\begin{array}{c} 14 \\ 15 \end{array}$	6. TITLE 14, SUBTITLE 7 OF THIS ARTICLE ("CERTIFIED LOCAL FARM ENTERPRISE PROGRAM");
$\begin{array}{c} 16 \\ 17 \end{array}$	7. Title 15, Subtitle 1 of this article ("Procurement Contract Administration");
18 19	[7.] 8.§ 15–226 of this article ("Policy established; timing of payments; notice upon nonpayment; disputes; appeals"); and
$\begin{array}{c} 20\\ 21 \end{array}$	[8.] 9. Title 16 of this article ("Suspension and Debarment of Contractors").
$22 \\ 23 \\ 24$	(ii) If a procurement violates the provisions of this subsection or policies adopted in accordance with this subsection, the procurement contract is void or voidable in accordance with the provisions of 11–204 of this subtitle.
25	(7) Paragraphs (3), (4), and (5) of this subsection do not apply to:
26	(i) procurement by a University from:
27	1. another unit;
28	2. a political subdivision of the State;
29	3. an agency of a political subdivision of the State;

$\frac{1}{2}$	of the United States, or o	4. of anot	a government, including the government of another state, her country;
3		5.	an agency or political subdivision of a government; or
45	governmental agency;	6.	a bistate, multistate, bicounty, or multicounty
$6 \\ 7$	(ii) for the purpose of:	procu	arement by a University in support of enterprise activities
8		1.	direct resale;
9		2.	remanufacture and subsequent resale; or
10		3.	procurement by the University for overseas programs; or
11	(iii)	procu	arement by the University System of Maryland for:
$12 \\ 13 \\ 14 \\ 15$	System of Maryland, gi	ft and	services of managers to invest, in accordance with the policies adopted by the Board of Regents of the University endowment assets received by the University System of 12–104(e) of the Education Article; or
16 17 18 19	of the University System	of Ma	expenditures to manage, maintain, and enhance, in ent and investment policies adopted by the Board of Regents aryland, the value of gift and endowment assets received by and in accordance with § $12-104(e)$ of the Education Article.
20	SUBTITLE 7.	CERT	IFIED LOCAL FARM ENTERPRISE PROGRAM.
21	14-701.		
22 23	(A) IN THIS S INDICATED.	UBTIT	TLE THE FOLLOWING WORDS HAVE THE MEANINGS
	(B) "CERTIFIE ENTERPRISE THAT:	D LO	CAL FARM ENTERPRISE" MEANS A LOCAL FARM
$\frac{26}{27}$			THE NUTRIENT MANAGEMENT REQUIREMENTS 8, SUBTITLE 8 OF THE AGRICULTURE ARTICLE; AND
$\frac{28}{29}$			TIED BY THE DEPARTMENT IN ACCORDANCE WITH DER THIS SUBTITLE.
30	(C) "DEPARTM	IENT"	MEANS THE DEPARTMENT OF AGRICULTURE.

 $\mathbf{5}$

1 (D) "OFFICE" MEANS THE OFFICE FOR THE CERTIFIED LOCAL FARM 2 ENTERPRISE PROGRAM.

3 (E) "PROGRAM" MEANS THE CERTIFIED LOCAL FARM ENTERPRISE 4 PROGRAM.

5 **14–702.**

6 (A) (1) THERE IS AN OFFICE FOR THE CERTIFIED LOCAL FARM 7 ENTERPRISE PROGRAM IN THE DEPARTMENT.

8 (2) THE PURPOSE OF THE OFFICE IS TO ADMINISTER THE PROGRAM 9 AND FACILITATE THE PARTICIPATION OF CERTIFIED LOCAL FARM ENTERPRISES IN 10 THE PROGRAM.

11 (B) (1) THERE IS A CERTIFIED LOCAL FARM ENTERPRISE PROGRAM IN 12 THE OFFICE.

(2) THE PURPOSE OF THE PROGRAM IS TO ENCOURAGE EACH UNIT
 TO TRY TO ACHIEVE AN OVERALL PERCENTAGE GOAL OF 20% OF THE UNIT'S TOTAL
 DOLLAR VALUE OF PROCUREMENT CONTRACTS FOR FOOD FROM CERTIFIED LOCAL
 FARM ENTERPRISES.

17 (C) THE DEPARTMENT SHALL CREATE TWO POSITIONS TO PROVIDE STAFF 18 FOR THE OFFICE.

19 **14–703.**

20 (A) (1) EACH UNIT SHALL STRUCTURE PROCUREMENT PROCEDURES, 21 CONSISTENT WITH THE PURPOSES OF THIS SUBTITLE, TO TRY TO ACHIEVE AN 22 OVERALL PERCENTAGE GOAL OF 20% OF THE UNIT'S TOTAL DOLLAR VALUE OF 23 PROCUREMENT CONTRACTS FOR FOOD BEING MADE DIRECTLY OR INDIRECTLY TO 24 CERTIFIED LOCAL FARM ENTERPRISES.

25 (2) NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION, A
 26 PROCUREMENT CONTRACT AWARDED IN ACCORDANCE WITH SUBTILE 1 OF THIS
 27 TITLE MAY NOT BE COUNTED AS PART OF A UNIT'S TOTAL DOLLAR VALUE OF
 28 PROCUREMENT CONTRACTS FOR FOOD.

- 29 (3) (2) A UNIT MAY ACHIEVE THE 20% GOAL THROUGH:
- 30

(I) COMPETITIVE SEALED BIDS AND PROPOSALS; AND

6

1		(II)	SMALL PROCUREMENT IN ACCORDANCE WITH § 13–109 OF			
2	THIS ARTICLE.					
3	<u>(3)</u>	For	PROCUREMENTS CONDUCTED BY COMPETITIVE SEALED			
4	BIDDING, A UNIT	SHALI	AWARD THE CONTRACT TO THE RESPONSIBLE BIDDER THAT			
5						
6		<u>(I)</u>	<u>1.</u> HAS THE LOWEST BID PRICE;			
7			<u>2.</u> HAS THE LOWEST EVALUATED BID PRICE; OR			
8			3. FOR PROCUREMENTS SUBJECT TO § 11–202(3) OF			
9	THIS ARTICLE, IS	S THE I	BID MOST FAVORABLE TO THE STATE; AND			
10		(II)	MEETS OR MAKES A GOOD FAITH EFFORT TO MEET ANY			
11	APPLICABLE GO		ABLISHED UNDER THIS SUBTITLE.			
12	<u>(4)</u>	FOR	PROCUREMENTS CONDUCTED BY COMPETITIVE SEALED			
13	PROPOSALS, A U	NIT SH	ALL AWARD THE CONTRACT TO THE RESPONSIBLE OFFEROR:			
14		(I)	PROPOSING THE MOST ADVANTAGEOUS OFFER; AND			
14		<u>u</u>	TROPOSING THE MOST ADVANTAGEOUS OFFER, AND			
15		<u>(II)</u>	THAT MEETS OR MAKES A GOOD FAITH EFFORT TO MEET			
16	ANY APPLICABLE	E GOAL	LESTABLISHED UNDER THIS SUBTITLE.			
17	(b) The	Off	ICE, IN CONSULTATION WITH THE SECRETARY OF			
18			ESTABLISH GUIDELINES FOR EACH UNIT TO CONSIDER WHEN			
19			PPROPRIATE LOCAL FARM ENTERPRISE PARTICIPATION			
20			PRA PROCUREMENT CONTRACT FOR FOOD IN ACCORDANCE			
			OF THIS SECTION.			
22	(C) EAC	H UNII	SHALL:			
23	(1)	CONS	SIDER THE PRACTICAL SEVERABILITY OF ALL PROCUREMENT			
$\overline{24}$			AND, IN ACCORDANCE WITH § 11–201 OF THIS ARTICLE, MAY			
25	NOT BUNDLE CO		-			
26	(2)		EMENT A PROGRAM THAT WILL ENABLE THE UNIT TO			
27			OCUREMENT CONTRACT FOR FOOD TO DETERMINE THE			
28			FARM ENTERPRISE PARTICIPATION GOALS, IF ANY, FOR THE			
29	CONTRACT BASE	D ON:				
30		(I)	THE AVAILABILITY OF CERTIFIED LOCAL FARM			
31	ENTERPRISES TO		OND COMPETITIVELY TO CONTRACT OPPORTUNITIES; AND			
-						

1 (II) THE CONTRACT GOAL GUIDELINES ESTABLISHED UNDER 2 SUBSECTION (B) OF THIS SUBSECTION;

3 (3) MONITOR AND COLLECT DATA WITH RESPECT TO A UNIT'S
 4 COMPLIANCE WITH CONTRACT GOALS, INCLUDING EXPLANATIONS FOR FAILING TO
 5 MEET CONTRACT GOALS; AND

6 (4) INSTITUTE CORRECTIVE ACTION WHEN A UNIT DOES NOT MAKE 7 GOOD FAITH EFFORTS TO COMPLY WITH CONTRACT GOALS.

8 (D) THE OFFICE SHALL, IN CONSULTATION WITH THE SECRETARY OF 9 AGRICULTURE, ESTABLISH PROCEDURES GOVERNING HOW THE PARTICIPATION OF 10 CERTIFIED LOCAL FARM ENTERPRISES IS COUNTED TOWARD CONTRACT GOALS 11 UNDER THE PROGRAM.

12 (E) (1) (I) IF A UNIT DOES NOT ACHIEVE THE CERTIFIED LOCAL FARM 13 ENTERPRISE PARTICIPATION GOALS ON A PROCUREMENT CONTRACT FOR FOOD, 14 THE UNIT SHALL DEMONSTRATE TO THE OFFICE THAT THE UNIT TOOK ALL 15 NECESSARY AND REASONABLE STEPS TO ACHIEVE THE GOALS.

(II) A WAIVER OF ANY PART OF THE CERTIFIED LOCAL FARM
ENTERPRISE GOALS FOR A PROCUREMENT CONTRACT FOR FOOD SHALL BE
GRANTED IF A UNIT PROVIDES TO THE OFFICE A REASONABLE DEMONSTRATION OF
GOOD FAITH EFFORTS TO ACHIEVE THE GOALS.

(2) THE OFFICE MAY WAIVE ANY OF THE REQUIREMENTS OF THIS
 SUBSECTION RELATING TO THE ESTABLISHMENT, USE, AND WAIVER OF CERTIFIED
 LOCAL FARM ENTERPRISE GOALS FOR A SOLE SOURCE, EXPEDITED, OR EMERGENCY
 PROCUREMENT IN WHICH THE PUBLIC INTEREST CANNOT REASONABLY
 ACCOMMODATE USE OF THOSE REQUIREMENTS.

25 (3) EXCEPT FOR WAIVERS GRANTED IN ACCORDANCE WITH
26 PARAGRAPH (2) OF THIS SUBSECTION, WHEN A WAIVER DETERMINATION IS MADE,
27 THE OFFICE SHALL ISSUE THE DETERMINATION IN WRITING.

(4) ON OR BEFORE JULY 31 EACH YEAR, THE OFFICE SHALL SUBMIT
 DIRECTLY TO THE BOARD AN ANNUAL REPORT OF WAIVERS REQUESTED AND
 WAIVERS GRANTED UNDER THIS SUBSECTION.

31(5) THE REPORT REQUIRED UNDER PARAGRAPH(4) OF THIS32SUBSECTION SHALL CONTAIN THE FOLLOWING INFORMATION ON THOSE33PROCUREMENT CONTRACTS FOR FOOD WHERE THE OFFICE CONSIDERED A UNIT'S

$\frac{1}{2}$	REQUEST FOR W GOALS:	AIVER	OF ALL OR A PORTION OF THE LOCAL FARM ENTERPRISE
3		(I)	THE CONTRACT TITLES, NUMBERS, AND DATES;
4		(II)	THE NUMBER OF WAIVER REQUESTS RECEIVED;
5		(III)	THE NUMBER OF WAIVER REQUESTS GRANTED; AND
$6 \\ 7$	THE BOARD.	(IV)	ANY OTHER INFORMATION SPECIFICALLY REQUESTED BY

8 (F) THE BOARD SHALL KEEP A RECORD OF INFORMATION REGARDING ANY 9 WAIVERS REQUESTED IN ACCORDANCE WITH THIS SECTION AND SUBMIT A COPY OF 10 THE RECORD TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL 11 AFFAIRS COMMITTEE AND THE HOUSE HEALTH AND GOVERNMENT OPERATIONS 12 COMMITTEE ON OR BEFORE OCTOBER 1 EACH YEAR, IN ACCORDANCE WITH § 13 2–1257 OF THE STATE GOVERNMENT ARTICLE.

14 **14–704.**

15 (A) IN ACCORDANCE WITH TITLE 10, SUBTITLE 1 OF THE STATE 16 GOVERNMENT ARTICLE, THE OFFICE SHALL ADOPT REGULATIONS TO IMPLEMENT 17 THIS SUBTITLE.

18 **(B)** THE REGULATIONS SHALL ESTABLISH PROCEDURES TO BE FOLLOWED 19 BY UNITS, CERTIFIED LOCAL FARM ENTERPRISES, AND SUCCESSFUL BIDDERS OR 20 OFFERORS TO MAXIMIZE NOTICE TO, AND THE OPPORTUNITY TO PARTICIPATE IN 21 THE FOOD PROCUREMENT PROCESS BY, A BROAD RANGE OF LOCAL FARM 22 ENTERPRISES.

23 (C) THE REGULATIONS SHALL INCLUDE PROVISIONS:

(1) DESIGNATING THE OFFICE TO CERTIFY AND DECERTIFY LOCAL
 FARM ENTERPRISES FOR ALL UNITS THROUGH A SINGLE PROCESS, INCLUDING
 PROVISIONS THAT PROMOTE AND FACILITATE THE SUBMISSION OF SOME OR ALL OF
 THE CERTIFICATION APPLICATION THROUGH AN ELECTRONIC PROCESS;

 28
 (2)
 DEFINING THE TERM "LOCAL" FOR THE PURPOSE OF IDENTIFYING

 29
 LOCAL FARM ENTERPRISES FOR PARTICIPATION IN THE PROGRAM;

30 (3) (2) SPECIFYING THAT A UNIT MAY NOT ALLOW A LOCAL FARM
 31 ENTERPRISE TO PARTICIPATE AS IF IT WERE A CERTIFIED LOCAL FARM ENTERPRISE
 32 IF THE LOCAL FARM ENTERPRISE'S CERTIFICATION IS PENDING;

1(4) (3)CONSISTENT WITH THIS SUBTITLE, RELATING TO ANY2CIRCUMSTANCES UNDER WHICH THE OFFICE MAY WAIVE OBLIGATIONS OF A UNIT3RELATING TO CERTIFIED LOCAL FARM ENTERPRISE PARTICIPATION GOALS; AND

4 (5) (4) THAT THE OFFICE CONSIDERS NECESSARY OR 5 APPROPRIATE TO:

6 (I) ENCOURAGE PARTICIPATION BY LOCAL FARM 7 ENTERPRISES; AND

8 (II) PROTECT THE INTEGRITY OF THE PROCUREMENT PROCESS.

9 **14–705.**

10 (A) IN THE SAME MANNER AND WITH THE SAME FEES AS PROVIDED BY LAW 11 IN CIVIL CASES, IN A MATTER REGARDING THE DECERTIFICATION OF A CERTIFIED 12 LOCAL FARM ENTERPRISE, THE OFFICE MAY:

13 (1) SUBPOENA WITNESSES;

14 (2) ADMINISTER OATHS; AND

15 (3) COMPEL THE PRODUCTION OF RECORDS, BOOKS, PAPERS, AND 16 OTHER DOCUMENTS.

17 (B) IF A PERSON FAILS TO COMPLY WITH A SUBPOENA ISSUED UNDER 18 SUBSECTION (A) OF THIS SECTION, OR FAILS TO PRODUCE DOCUMENTS OR OTHER 19 EVIDENCE, ON PETITION OF THE OFFICE, A COURT OF COMPETENT JURISDICTION 20 MAY PASS AN ORDER DIRECTING COMPLIANCE WITH THE SUBPOENA OR 21 COMPELLING THE PRODUCTION OF DOCUMENTS OR OTHER EVIDENCE.

22 (C) THE OFFICE SHALL MAKE AVAILABLE A FRAUD HOTLINE FOR 23 REPORTING VIOLATIONS OF THIS SECTION.

24 **14–706.**

25 (A) WITHIN 90 DAYS AFTER THE END OF THE FISCAL YEAR, EACH UNIT 26 SHALL REPORT TO THE OFFICE.

27 (B) A REPORT UNDER THIS SECTION FOR THE PRECEDING FISCAL YEAR 28 SHALL: 1 (1) STATE THE TOTAL NUMBER AND VALUE OF PROCUREMENT 2 CONTRACTS FOR FOOD BETWEEN THE UNIT AND CERTIFIED LOCAL FARM 3 ENTERPRISES;

4 (2) INDICATE THE PERCENTAGE THAT THOSE PROCUREMENT 5 CONTRACTS FOR FOOD REPRESENT OF THE TOTAL NUMBER AND VALUE OF 6 PROCUREMENT CONTRACTS FOR FOOD AWARDED BY A UNIT;

7 (3) STATE THE TOTAL NUMBER AND THE NAMES OF CERTIFIED LOCAL
8 FARM ENTERPRISES THAT PARTICIPATED IN PROCUREMENT CONTRACTS FOR FOOD
9 AWARDED BY A UNIT;

10 (4) FOR EACH CERTIFIED LOCAL FARM ENTERPRISE INCLUDED IN 11 THE REPORT UNDER ITEM (3) OF THIS SUBSECTION, LIST ALL PROCUREMENT 12 CONTRACTS FOR FOOD AWARDED BY A UNIT TO THE CERTIFIED LOCAL FARM 13 ENTERPRISE, INCLUDING A DESCRIPTION OF THE CONTRACT; AND

14 (5) CONTAIN OTHER SUCH INFORMATION AS REQUIRED BY THE 15 OFFICE, SUBJECT TO APPROVAL BY THE BOARD.

16 (C) A REPORT UNDER THIS SECTION SHALL BE:

17 (1) IN A FORM PRESCRIBED BY THE OFFICE; AND

- 18 (2) APPROVED BY THE BOARD.
- 19 **14–707.**

20 (A) (1) THE DEPARTMENT SHALL DEVELOP AND MAINTAIN A DIRECTORY 21 OF ALL CERTIFIED LOCAL FARM ENTERPRISES.

22 (2) THE DIRECTORY SHALL BE ACCESSIBLE TO THE PUBLIC ON THE 23 DEPARTMENT'S WEBSITE.

24 (B) THE DEPARTMENT SHALL INCLUDE THE FOLLOWING INFORMATION 25 FOR EACH CERTIFIED LOCAL FARM ENTERPRISE INCLUDED IN THE DIRECTORY:

26(1) ALL CONTRACT INFORMATION AVAILABLE TO THE DEPARTMENT27FOR THE CERTIFIED LOCAL FARM ENTERPRISE;

28 (2) THE CERTIFICATION NUMBER OF THE CERTIFIED LOCAL FARM 29 ENTERPRISE; AND 1 (3) ANY OTHER INFORMATION THE DEPARTMENT CONSIDERS 2 NECESSARY OR APPROPRIATE TO ENCOURAGE PARTICIPATION IN THE 3 PROCUREMENT PROCESS BY LOCAL FARM ENTERPRISES.

- (C) THE DEPARTMENT SHALL:
- $\mathbf{5}$

4

(1) UPDATE THE DIRECTORY AT LEAST ONCE A YEAR; <u>AND</u>

6 (2) IDENTIFY AS RECENTLY CERTIFIED IN THE DIRECTORY EACH 7 LOCAL FARM ENTERPRISE THAT HAS OBTAINED CERTIFICATION DURING THE 8 CALENDAR YEAR; AND

9 (3) INCLUDE IN THE DIRECTORY A LIST OF ALL CERTIFIED LOCAL
 10 FARM ENTERPRISES THAT HAVE BECOME INELIGIBLE TO PARTICIPATE IN THE
 11 PROGRAM BECAUSE THE CERTIFIED LOCAL FARM ENTERPRISE NO LONGER MEETS
 12 THE NUTRIENT MANAGEMENT REQUIREMENTS ESTABLISHED UNDER TITLE 8,
 13 SUBTITLE 8 OF THIS ARTICLE.

14 **14–708.**

15 (A) THERE IS A CERTIFIED LOCAL FARM ENTERPRISE FOOD 16 AGGREGATION GRANT FUND.

17 (B) THE PURPOSE OF THE FUND IS TO SUPPORT THE CREATION OF FOOD 18 AGGREGATION, STORAGE, PROCESSING, AND DISTRIBUTION SITES ACROSS THE 19 STATE THROUGH GRANTS AND NEAR-EQUITY INVESTMENTS.

20 (C) THE MARYLAND AGRICULTURAL AND RESOURCE–BASED INDUSTRY 21 DEVELOPMENT CORPORATION SHALL ADMINISTER THE FUND.

22 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT 23 SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

24(2)THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,25AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

26 (E) (D) THE FUND CONSISTS OF:

27 (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

28(2) INTEREST EARNINGSPRINCIPAL THAT IS REPAID FROM29NEAR-EQUITY INVESTMENTS; AND

1 (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR 2 THE BENEFIT OF THE FUND.

3 (F) (E) THE FUND MAY BE USED ONLY FOR ESTABLISHING AND 4 OPERATING FOOD AGGREGATION, STORAGE, PROCESSING, AND DISTRIBUTION 5 SITES ACROSS THE STATE THROUGH GRANTS AND NEAR-EQUITY INVESTMENTS.

6 (G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND 7 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

8 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO 9 THE FUND.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 11 October 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.