

HOUSE BILL 199

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7lr0083

By: **Chair, Appropriations Committee (By Request – Departmental – Aging)**

Introduced and read first time: January 20, 2017

Assigned to: Appropriations

Committee Report: Favorable

House action: Adopted

Read second time: February 28, 2017

CHAPTER _____

1 AN ACT concerning

2 **Capital Grants for Senior Citizen Activities Centers**

3 FOR the purpose of allowing more than one grant for a senior citizen activity center from
4 the Senior Citizen Activities Centers Capital Improvement Grants Program under
5 certain circumstances; altering certain definitions; and generally relating to the
6 operation and implementation of the Senior Citizen Activities Centers Capital
7 Improvement Grants Program.

8 BY repealing and reenacting, with amendments,
9 Article – Human Services
10 Section 10–501, 10–502, 10–504, and 10–507
11 Annotated Code of Maryland
12 (2007 Volume and 2016 Supplement)

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

15 **Article – Human Services**

16 10–501.

17 (a) In this part the following words have the meanings indicated.

18 (b) “Capital equipment” means essential fixed equipment and furnishings with
19 an expected useful life of at least 15 years.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

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



(c) (1) “Cost” means all expenses incident to [the construction, acquisition, conversion, renovation, or improvement of] a project.

(2) “Cost” includes:

(i) the cost to acquire any interest in real or personal property in connection with a project;

(ii) the cost of financial, technical, professional, engineering, and legal services in connection with a project whether the expenses are incurred before or after any bond, note, or other evidence of indebtedness or obligation is issued by the State to finance the project;

(iii) the cost of development of a senior citizen activities center master plan; and

(iv) the cost of plans, specifications, surveys, estimates of costs and revenues, feasibility or practicability reports, machinery, equipment, and administrative expenses, and other expenses that are necessary and incident to the financing authorized for the project.

(d) “Grant” means a grant from the State under the Program.

(e) “Improvement” means construction, replacement, extension, or betterment of a [project] **SENIOR CITIZEN ACTIVITIES CENTER** or real property.

(f) “Master plan” means a comprehensive plan for a local government’s projected need for funds for senior citizen activities centers over 15 years.

(g) “Program” means the Senior Citizen Activities Centers Capital Improvement Grants Program.

(h) “Project” means **A CAPITAL CONSTRUCTION, EXPANSION, RENOVATION, OR REPLACEMENT PROJECT FOR** a proposed or existing senior citizen activities center that:

(1) receives or has received a grant for work that is eligible under this part;

(2) is operated under the authority of a unit of local government; and

(3) is:

(i) wholly owned by the unit of local government; or

(ii) leased by a unit of local government if:

1 1. the lease is for a minimum term of 15 years after
2 completion of the project or gives the lessee the right of purchase; and

3 2. the lessor consents to the recording of a notice of the right
4 of recovery under § 10–506 of this subtitle in the land records of the county in which the
5 facility is located.

6 (i) “Senior citizen activities center” means a community or neighborhood facility
7 in which a broad spectrum of services are organized and provided to individuals at least 60
8 years old or their spouses, including health, social, nutritional, educational, and
9 recreational services.

10 10–502.

11 (a) A unit of local government may apply to the Secretary for a grant for the cost
12 of:

13 (1) planning, design, construction, acquisition, conversion, renovation, or
14 improvement of a [project] **SENIOR CITIZEN ACTIVITIES CENTER**;

15 (2) developing a master plan;

16 (3) purchasing capital equipment for a project;

17 (4) leasing a [project] **SENIOR CITIZEN ACTIVITIES CENTER** as a lessee
18 or lessor; or

19 (5) making a subgrant to a nonprofit organization for a purpose described
20 in item (1), (2), (3), or (4) of this subsection.

21 (b) If the Secretary approves an application for a grant, the Secretary shall file
22 with the Board of Public Works a report describing the scope of the project and a
23 recommendation that the Board make the requested funds available.

24 10–504.

25 (a) (1) Any federal grant that is received for a project shall be applied first to
26 the cost of the project.

27 (2) Except as provided in subsection (b) of this section, a State grant for a
28 project may not exceed the lesser of \$800,000 or 50% of the cost of eligible work remaining
29 unpaid after any federal grant is applied.

30 (3) A State grant to develop a master plan may not exceed the lesser of
31 \$15,000 or 50% of the cost of development of the plan.

(b) The Board of Public Works may authorize a grant for a project that exceeds 50% of the cost of eligible work remaining unpaid after any federal grant is applied, if:

(1) the project involves the conversion, acquisition, renovation, construction, or improvement of a building for use as a senior citizen activities center;

(2) the value of real property and existing improvements made available by the local government equals or exceeds the amount of the State grant; and

(3) the residual value of the real property and existing improvements made available by the local government exceeds the sum of:

(i) any prior amounts used for matching funds under this Program;

(ii) any outstanding State debt relating to the property from another program;

(iii) any prior grant under this Program; and

(iv) any other tangible State investment in the property.

(c) The amount of a State grant for a project shall be determined after consideration of:

(1) the density of the senior population in the area affected by the project;

(2) the proximity of the proposed center to an existing senior citizen activities center; and

(3) other localities eligible for State funding that have not received previous funding under the Program or similar programs.

(d) A grantee who received funds for a project under this subtitle or a prior act authorizing grants for senior citizen activities centers may receive additional grants for the project, but only in an amount that does not exceed the difference between the sum of any prior grants and the maximum funding allowable **FOR THE PROJECT**.

(E) A GRANTEE WHO RECEIVED FUNDS FOR A PROJECT UNDER THIS SUBTITLE FOR A PROJECT AT A SENIOR CITIZEN ACTIVITIES CENTER MAY REQUEST AN ADDITIONAL GRANT FOR A DIFFERENT PROJECT AT THE SAME SENIOR CITIZEN ACTIVITIES CENTER, IF THE SUM OF GRANTS MADE FOR ANY SINGLE SENIOR CITIZEN ACTIVITIES CENTER DOES NOT EXCEED \$800,000 IN ANY 15-YEAR PERIOD.

(a) The State may recover State grant funds if, within 15 years after completion of a project:

(1) the [project's] property, **WITH RESPECT TO WHICH FUNDS HAVE BEEN PAID UNDER THIS SUBTITLE**, ceases to be operated as a senior citizen activities center; or

(2) an interest in property for which funds have been paid under the Program is assigned, transferred, or conveyed:

(i) without approval by the Board of Public Works; or

(ii) for use other than as a senior citizen activities center.

(b) The State is entitled to recover the sum of:

(1) an amount that equals the value of the [project] property, **WITH RESPECT TO WHICH FUNDS HAVE BEEN PAID UNDER THIS SUBTITLE**, at the time of the recovery multiplied by a fraction:

(i) the numerator of which is the amount of the State funds for the project; and

(ii) the denominator of which is the total cost of all eligible work for the project; and

(2) costs, including reasonable attorneys' fees that the State incurs in recovery proceedings.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.