

SENATE BILL 984

P1

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By: **Senators Hester and Rosapepe**

Introduced and read first time: February 3, 2020

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Department of General Services – State Innovation Program and Fund –**
3 **Establishment**

4 FOR the purpose of establishing the State Innovation Fund as a special, nonlapsing Fund;
5 specifying the purpose, use, and contents of the Fund; requiring the Secretary of
6 General Services to administer the Fund; requiring the State Treasurer to hold the
7 Fund and the Comptroller, in conjunction with the Secretary, to account for the
8 Fund; providing for the investment of money in and expenditures from the Fund;
9 providing that the accounts and transactions of the Fund shall be subject to a certain
10 audit; requiring the Secretary to establish the State Innovation Program in
11 accordance with certain requirements; requiring certain information regarding the
12 Program to be posted on a certain website; establishing certain requirements
13 regarding the payment of and reimbursement for monetary awards; exempting the
14 Fund from a certain provision of law requiring interest earnings on State money to
15 accrue to the General Fund of the State; and generally relating to the establishment
16 of the Student Innovation Program and Fund.

17 BY adding to
18 Article – State Finance and Procurement
19 Section 4–1201 through 4–1204 to be under the new subtitle “Subtitle 12. State
20 Innovation Program”; and 6–226(a)(2)(ii)123.
21 Annotated Code of Maryland
22 (2015 Replacement Volume and 2019 Supplement)

23 BY repealing and reenacting, without amendments,
24 Article – State Finance and Procurement
25 Section 6–226(a)(2)(i)
26 Annotated Code of Maryland
27 (2015 Replacement Volume and 2019 Supplement)

28 BY repealing and reenacting, with amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – State Finance and Procurement
Section 6–226(a)(2)(ii)121. and 122.
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

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

Article – State Finance and Procurement

SUBTITLE 12. STATE INNOVATION PROGRAM.

4–1201.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
INDICATED.

(B) “FUND” MEANS THE STATE INNOVATION FUND.

(C) “PROGRAM” MEANS THE STATE INNOVATION PROGRAM.

4–1202.

(A) THERE IS A STATE INNOVATION FUND.

(B) THE PURPOSE OF THE FUND IS TO PROVIDE AWARDS TO AN INDIVIDUAL
OR ENTITY THAT PROVIDES A SOLUTION TO A CHALLENGE POSTED ON THE
PROGRAM WEBSITE.

(C) THE SECRETARY SHALL ADMINISTER THE FUND.

(D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
SUBJECT TO § 7–302 OF THIS ARTICLE.

(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY
AND THE COMPTROLLER, IN CONJUNCTION WITH THE SECRETARY, SHALL ACCOUNT
FOR THE FUND.

(E) THE FUND CONSISTS OF:

(1) MONEY APPROPRIATED IN THE STATE BUDGET FOR THE FUND;

(2) REIMBURSEMENTS TO THE FUND;

1 **(3) INTEREST EARNINGS OF THE FUND; AND**

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

4 **(F) THE FUND SHALL BE USED FOR THE PURPOSE SPECIFIED IN**
5 **SUBSECTION (B) OF THIS SECTION.**

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 **(H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**
11 **WITH THE STATE BUDGET.**

12 **(I) THE ACCOUNTS AND TRANSACTIONS OF THE FUND SHALL BE SUBJECT**
13 **TO AUDIT BY THE LEGISLATIVE AUDITOR AS PROVIDED IN § 2-1220 OF THE STATE**
14 **GOVERNMENT ARTICLE.**

15 **4-1203.**

16 **(A) THE SECRETARY SHALL ESTABLISH THE STATE INNOVATION PROGRAM**
17 **IN ACCORDANCE WITH THIS SUBTITLE.**

18 **(B) THE PROGRAM SHALL:**

19 **(1) ALLOW STATE AGENCIES TO SOLICIT THE PUBLIC FOR SOLUTIONS**
20 **TO STATEWIDE ISSUES;**

21 **(2) ALLOW MEMBERS OF THE PUBLIC TO SUBMIT THEIR SOLUTIONS**
22 **TO THOSE STATEWIDE ISSUES; AND**

23 **(3) IF APPLICABLE, AWARD A MONETARY PRIZE, NOT TO EXCEED**
24 **\$75,000, FROM THE FUND FOR THE SUBMISSION OF A SOLUTION.**

25 **(C) PROGRAM ANNOUNCEMENTS, SOLICITATIONS, AND SUBMISSION**
26 **DIRECTIONS SHALL BE MAINTAINED ON A PUBLICLY ACCESSIBLE WEBSITE DEVOTED**
27 **TO THE PROGRAM.**

28 **4-1204.**

(A) HALF OF A MONETARY PRIZE AWARDED UNDER § 4-1203(B) OF THIS SUBTITLE SHALL BE PAID BY THE STATE AGENCY THAT SUBMITTED THE SOLICITATION.

(B) A STATE AGENCY MAY COMPLY WITH SUBSECTION (A) OF THIS SECTION BY:

(1) PAYING HALF OF THE MONETARY PRIZE DIRECTLY TO THE INDIVIDUAL OR ENTITY THAT SUBMITTED THE SOLUTION; OR

(2) REIMBURSING THE FUND FOR HALF OF THE MONETARY PRIZE AWARDED FROM THE FUND.

6-226.

(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.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

121. the Markell Hendricks Youth Crime Prevention and Diversion Parole Fund; [and]

122. the Federal Government Shutdown Employee Assistance Loan Fund; AND

123. THE STATE INNOVATION FUND.

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