SENATE BILL 1173

C8

By: **Senator Mathias**
Introduced and read first time: February 19, 2018
Assigned to: Rules

A BILL ENTITLED

1   AN ACT concerning

2   **Home Sprinkler and Fire Safety Assistance Fund – Pilot Program**

3   FOR the purpose of establishing the Home Sprinkler and Fire Safety Assistance Fund as a
4   special, nonlapsing fund; specifying the purpose of the Fund; requiring the
5   Department of Housing and Community Development to administer the Fund;
6   requiring the State Treasurer to hold the Fund and the Comptroller to account for
7   the Fund; specifying the contents of the Fund; specifying the purpose for which the
8   Fund may be used; providing for the investment of money in, and expenditures from,
9   the Fund; requiring the Governor to appropriate certain funds in the State budget
10   to the Fund in certain fiscal years; requiring the Department to study certain effects
11   of the Fund; requiring the Department to report its findings to the Governor and the
12   General Assembly on or before a certain date; defining a certain term; providing for
13   the termination of this Act; and generally relating to the Home Sprinkler and Fire
14   Safety Assistance Fund.

15 BY repealing and reenacting, with amendments,
16   Article – Housing and Community Development
17   Section 4–103
18   Annotated Code of Maryland
19   (2006 Volume and 2017 Supplement)

20 BY adding to
21   Article – Housing and Community Development
22   Section 4–1501 through 4–1503 to be under the new subtitle "Subtitle 15. Home
23   Sprinkler and Fire Safety Assistance Fund"
24   Annotated Code of Maryland
25   (2006 Volume and 2017 Supplement)

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

EXPLANATION: **Capitals indicate matter added to existing law.**
    [Brackets] indicate matter deleted from existing law.

1   **Article – Housing and Community Development**

2   4–103.

3   The Division includes:

4   (1)   the Community Development Administration;

5   (2)   the Disaster Relief Housing Program;

6   (3)   the Down Payment and Settlement Expense Loan Program;

7   (4)   federal and State weatherization programs;

8   (5)   the Group Home Financing Program;

9   **(6)   THE HOME SPRINKLER AND FIRE SAFETY ASSISTANCE FUND;**

10   [(6)] **(7)**   the Lead Hazard Reduction Grant Program;

11   [(7)] **(8)**   the Lead Hazard Reduction Loan Program;

12   [(8)] **(9)**   the local government infrastructure program;

13   [(9)] **(10)**   the Maryland Home Financing Program;

14   [(10)] **(11)**   the Maryland Housing Rehabilitation Program;

15   [(11)] **(12)**   the Neighborhood Housing Services Fund;

16   [(12)] **(13)**   the Operating Assistance Grants Demonstration Projects;

17   [(13)] **(14)**   the Partnership Rental Housing Program;

18   [(14)] **(15)**   the Radium Grant Program;

19   [(15)] **(16)**   the Rental Allowance Program and other rental assistance
20   programs;

21   [(16)] **(17)**   the Rental Housing Program; and

22   [(17)] **(18)**   the Self–Help Homeownership Technical Assistance Program.

23   **SUBTITLE 15. HOME SPRINKLER AND FIRE SAFETY ASSISTANCE FUND.**

24   **4–1501.**

1   IN THIS SUBTITLE, "FUND" MEANS THE HOME SPRINKLER AND FIRE SAFETY
2 ASSISTANCE FUND.

3 4–1502.

4   (A)   THERE IS A HOME SPRINKLER AND FIRE SAFETY ASSISTANCE FUND.

5   (B)   THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS TO OFFSET THE
6 COSTS OF INSTALLING A SPRINKLER SYSTEM WHEN PURCHASING A HOME.

7   (C)   THE DEPARTMENT SHALL ADMINISTER THE FUND.

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

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

12   (E)   THE FUND CONSISTS OF:

13   (1)   MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND,
14 INCLUDING MONEY APPROPRIATED UNDER SUBSECTION (J) OF THIS SECTION; AND

15   (2)   ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
16 THE BENEFIT OF THE FUND.

17   (F)   GRANTS FROM THE FUND:

18   (1)   SHALL BE AWARDED TO APPLICANTS IN THE ORDER IN WHICH
19 THE APPLICANTS APPLY; AND

20   (2)   MAY BE USED ONLY FOR PROVIDING GRANTS TO HOMEBUYERS
21 WHO:

22   (I)   ARE IN THE PROCESS OF PURCHASING A HOME THAT:

23   1.   IS A SINGLE–FAMILY DETACHED HOME;

24   2.   IS LESS THAN 2,500 SQUARE FEET;

25   3.   USES WELL WATER AND IS NOT IN AN AREA WHERE
26 PUBLIC WATER IS PROVIDED OR WHERE THERE IS A PLAN TO PROVIDE PUBLIC

1 WATER; AND

2   4.   WILL BE THE HOMEBUYER'S PRIMARY RESIDENCE
3 AND OWNER–OCCUPIED; AND

4   (II)   HAVE AN ANNUAL INCOME EQUAL TO OR LESS THAN THE
5 INCOME LIMITS UNDER THE MARYLAND MORTGAGE PROGRAM.

6   (G)   IN CALCULATING INCOME LEVELS UNDER SUBSECTION (F)(2)(II) OF
7 THIS SECTION, THE DEPARTMENT SHALL:

8   (1)   USE THE TARGETED LIMITS FOR A COUNTY, IF AVAILABLE;

9   (2)   USE THE NONTARGETED LIMITS IF THE TARGETED LIMITS ARE
10 UNAVAILABLE; AND

11   (3)   USE THE APPROPRIATE TARGET LIMIT FOR THE HOUSEHOLD SIZE.

12   (H)   (1)   THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND
13 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

14   (2)   ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO
15 THE GENERAL FUND OF THE STATE.

16   (I)   EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE
17 WITH THE STATE BUDGET.

18   (J)   IN FISCAL YEARS 2020 THROUGH 2022, THE GOVERNOR SHALL
19 INCLUDE IN THE ANNUAL STATE BUDGET AN APPROPRIATION OF $300,000 FOR THE
20 FUND.

21 4–1503.

22   (A)   THE DEPARTMENT SHALL STUDY:

23   (1)   THE NUMBER OF HOMES THAT HAVE BENEFITED THROUGH
24 GRANTS PROVIDED FROM THE FUND; AND

25   (2)   THE EFFECT THE FUND HAS HAD ON FIRE SAFETY.

26   (B)   ON OR BEFORE DECEMBER 1, 2021, THE DEPARTMENT SHALL REPORT
27 ITS FINDINGS TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE
28 STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

1   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
2   1, 2018. It shall remain effective for a period of 4 years and, at the end of June 30, 2022,
3   this Act, with no further action required by the General Assembly, shall be abrogated and
4   of no further force and effect.