
By: Delegates Rawlings and Busch

Introduced and read first time: February 9, 1996

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Industrial Development Financing Authority**

3 FOR the purpose of increasing the maximum amount of financial assistance that the
4 Maryland Industrial Development Financing Authority may provide from the Bond
5 Insurance Fund to any one facility; and generally relating to the Maryland Industrial
6 Development Financing Authority.

7 BY repealing and reenacting, with amendments,
8 Article 83A - Department of Business and Economic Development
9 Section 5-930
10 Annotated Code of Maryland
11 (1995 Replacement Volume)

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

14 **Article 83A - Department of Business and Economic Development**

15 5-930.

16 (a) The Authority may use the Bond Insurance Fund for the purposes described
17 in § 5-929 of this subtitle only if the requirements of this section are satisfied.

18 (b) The Authority shall determine, in its sole and absolute discretion, that the
19 economic impact of the transaction will be substantial. To determine the economic impact
20 of a transaction, the Authority may consider any factor it considers relevant.

21 (c) (1) The Authority shall determine that the acquisition of a facility will not
22 result in:

23 (i) The removal of the business operations of the facility user from
24 one county to another county; or

25 (ii) The abandonment of a facility in the State; or

26 (2) If the acquisition of a facility will result in the occurrence of either of
27 these events, the Authority shall determine that the acquisition of the facility will:

28 (i) Discourage the facility user from leaving the State; or

HOUSE BILL 1185

2

1 (ii) Preserve the competitive position of the facility user in its industry.

2 (d) The Authority shall determine that the Authority will not be required, except
3 on default, to operate, service, or maintain the facility or energy project.

4 (e) The bonds or instruments with respect to which financial assistance is
5 provided by the Authority shall be secured in a manner approved by the Authority.

6 (f) Financial assistance provided by the Authority from the Bond Insurance Fund
7 with respect to any one facility may not exceed the total aggregate amount of
8 [\$5,000,000] \$10,000,000.

9 (g) The total aggregate amount of insurance from the Bond Insurance Fund with
10 respect to the insured portions of principal of bonds or other instruments may not exceed
11 at any time an amount equal to 5 times the balance in the Bond Insurance Fund.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 July 1, 1996.