

# SENATE BILL 881

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11r0171  
CF 11r0172

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By: **The President (By Request – Administration) and Senator Mathias**  
Introduced and read first time: February 18, 2011  
Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development Opportunities Program Account – Wind Turbine**  
3 **Manufacturing Facility**

4 FOR the purpose of altering the definition of “extraordinary economic development  
5 opportunity” for purposes of the Economic Development Opportunities Program  
6 Account to include attraction of a new wind turbine manufacturing facility to  
7 the State, or the expansion, to include wind turbine manufacturing, of an  
8 existing private sector enterprise, that meets certain requirements; providing  
9 that certain State incentives may not exceed a certain amount; defining certain  
10 terms; and generally relating to eligible expenditures under the Economic  
11 Development Opportunities Program Account.

12 BY repealing and reenacting, with amendments,  
13 Article – State Finance and Procurement  
14 Section 7–314(a)  
15 Annotated Code of Maryland  
16 (2009 Replacement Volume and 2010 Supplement)

17 BY repealing and reenacting, without amendments,  
18 Article – State Finance and Procurement  
19 Section 7–314(b) through (d)  
20 Annotated Code of Maryland  
21 (2009 Replacement Volume and 2010 Supplement)

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

24 **Article – State Finance and Procurement**

25 7–314.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 (a) (1) In this section the following words have the meanings indicated.

2 (2) "Account" means the Economic Development Opportunities  
3 Program Account.

4 (3) "Executive agency" means an executive department or agency in  
5 the Executive Branch of State government, including all offices of the Executive  
6 Department or agency directly responsible to the Governor.

7 (4) "Extraordinary economic development opportunity" means the:

8 (i) attraction of a new private sector enterprise to the State or  
9 retention or expansion of an existing private sector enterprise in the State that:

10 1. maintains a strong financial condition and minimal  
11 credit risk profile;

12 2. is capable of accessing alternative sources of financing  
13 through financial institutions or capital markets;

14 3. is consistent with the strategic plan of the State for  
15 economic development;

16 4. creates or retains substantial employment,  
17 particularly in areas of high unemployment; and

18 5. invests in capital at a level equal to five times the  
19 value of the incentive offered;

20 (ii) retention or expansion of an existing public institution,  
21 private institution, or federal research and development institute that:

22 1. is consistent with the strategic plan of the State for  
23 economic development; and

24 2. creates or retains substantial employment,  
25 particularly in areas of high unemployment; [or]

26 (iii) establishment or attraction of a public institution, a private  
27 institution, or a federal research and development institute new to the State that:

28 1. is consistent with the strategic plan of the State for  
29 economic development; and

30 2. creates or retains substantial employment,  
31 particularly in areas of high unemployment; **OR**

1                   (IV) ATTRACTION OF A NEW WIND TURBINE  
2 MANUFACTURING FACILITY TO THE STATE, OR EXPANSION, TO INCLUDE WIND  
3 TURBINE MANUFACTURING, OF AN EXISTING PRIVATE SECTOR ENTERPRISE,  
4 THAT:

5                   1. MANUFACTURES FOR OFFSHORE WIND TURBINE  
6 PROJECTS;

7                   2. CREATES OR RETAINS SUBSTANTIAL  
8 EMPLOYMENT; AND

9                   3. INVESTS IN CAPITAL AT A LEVEL EQUAL TO AT  
10 LEAST TWO TIMES THE VALUE OF STATE INCENTIVES THAT MAY NOT EXCEED  
11 \$50,000,000.

12                   (5) (i) "Performance requirement" means a contractual agreement  
13 between an executive agency and an Account recipient that requires the Account  
14 recipient to meet minimum economic development outcomes in exchange for a grant or  
15 a loan under this section.

16                   (ii) "Performance requirement" includes claw-back, penalty,  
17 rescission, and recalibration clauses that utilize job creation, capital investment, and  
18 other measures of economic development.

19                   (6) "Private sector enterprise" means any commercial, industrial,  
20 educational, or research organization which is not a part of or controlled by a federal,  
21 State, or local government agency.

22                   (7) "WIND TURBINE" MEANS A WIND ENERGY CONVERSION  
23 SYSTEM THAT CONVERTS WIND ENERGY INTO ELECTRICITY THROUGH USE OF A  
24 WIND TURBINE GENERATOR AND INCLUDES SUCH ELEMENTS AS A WIND  
25 TURBINE GENERATOR HUB, BLADE OR ROTOR, TOWER, AND TRANSFORMER.

26                   (8) "WIND TURBINE MANUFACTURING FACILITY" MEANS A  
27 FACILITY THAT MANUFACTURES WIND TURBINES OR THE COMPONENTS  
28 NECESSARY FOR THE OPERATION, MAINTENANCE, TRANSPORT, OR  
29 INSTALLATION OF WIND TURBINES OR THEIR COMPONENTS.

30                   (b) Subject to the provisions of this section, the Economic Development  
31 Opportunities Program Account is established to maximize extraordinary economic  
32 development opportunities.

33                   (c) The Governor may provide an appropriation in the budget bill to the  
34 Account for a specific or general purpose or purposes.

1           (d) After notice to and approval by the Legislative Policy Committee, the  
2 Governor may transfer funds by budget amendment from the Economic Development  
3 Opportunities Program Account to the expenditure account of the appropriate  
4 executive agency.

5           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
6 October 1, 2011.