

# SENATE BILL 582

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5lr1975  
CF HB 909

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By: **Senators Pugh, Currie, McFadden, Muse, ~~and Rosapepe~~ Rosapepe, and Benson**

Introduced and read first time: February 6, 2015

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 19, 2015

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Pilot Program for Small Business Development by Ex-Offenders**

3 FOR the purpose of requiring the Department of Labor, Licensing, and Regulation, in  
4 consultation with the Department of Public Safety and Correctional Services and the  
5 Maryland Small Business Development Financing Authority, to establish under  
6 certain circumstances the Pilot Program for Small Business Development by  
7 Ex-Offenders for certain purposes by a certain date; providing for the termination of  
8 the Program; authorizing the Department to coordinate with certain entities;  
9 requiring the Department to develop a certain evaluation process for the Program;  
10 requiring the Department, in consultation with the Department of Public Safety and  
11 Correctional Services, to select certain individuals to participate in the Program;  
12 providing that a person selected by the Department to participate in the Program  
13 shall receive certain training and mentoring; requiring the Department to partner  
14 the individual with a certain mentor for a certain purpose; requiring the Department  
15 to assist the individual in obtaining certain financing through the Maryland Small  
16 Business Development Financing Authority; requiring the Department to report to  
17 the General Assembly on or before a certain date; providing for the termination of  
18 this Act; and generally relating to the Pilot Program for Small Business Development  
19 by Ex-Offenders.

20 BY adding to

21 Article – Labor and Employment

22 Section 11-1201 to be under the new subtitle “Subtitle 12. Pilot Program for Small  
23 Business Development by Ex-Offenders”

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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.



1 Annotated Code of Maryland  
2 (2008 Replacement Volume and 2014 Supplement)

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

5 **Article – Labor and Employment**

6 **SUBTITLE 12. PILOT PROGRAM FOR SMALL BUSINESS DEVELOPMENT BY**  
7 **EX-OFFENDERS.**

8 **11-1201.**

9 **(A) IN THIS SECTION, “PROGRAM” MEANS THE PILOT PROGRAM FOR**  
10 **SMALL BUSINESS DEVELOPMENT BY EX-OFFENDERS.**

11 **(B) (1) ON OR BEFORE JANUARY 1, 2016, SUBJECT TO THE AVAILABILITY**  
12 **OF FUNDS, THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF**  
13 **PUBLIC SAFETY AND CORRECTIONAL SERVICES AND THE MARYLAND SMALL**  
14 **BUSINESS DEVELOPMENT FINANCING AUTHORITY, SHALL ESTABLISH A PROGRAM**  
15 **TO ASSIST INDIVIDUALS EXITING THE CORRECTIONAL SYSTEM BY PROVIDING:**

16 **(I) TRAINING IN HOW TO ESTABLISH SMALL BUSINESSES; AND**

17 **(II) FUNDING TO ESTABLISH SMALL BUSINESSES.**

18 **(2) THE PROGRAM ESTABLISHED UNDER THIS SECTION SHALL**  
19 **TERMINATE AT THE END OF DECEMBER 31, 2020.**

20 **(3) THE DEPARTMENT MAY COORDINATE WITH OTHER ENTITIES**  
21 **THAT OFFER TO PROVIDE RESOURCES FOR THE PROGRAM, INCLUDING FUNDING,**  
22 **TRAINING, AND MENTORING SERVICES.**

23 **(C) THE DEPARTMENT SHALL DEVELOP AN EVALUATION PROCESS FOR THE**  
24 **PROGRAM THAT INCLUDES A MECHANISM TO EVALUATE WHETHER THE PROGRAM**  
25 **HAS OPERATED TO ENCOURAGE THE ESTABLISHMENT OF STABLE SMALL**  
26 **BUSINESSES BY INDIVIDUALS WHO HAVE PARTICIPATED IN THE PROGRAM.**

27 **(D) IN CONSULTATION WITH THE DEPARTMENT OF PUBLIC SAFETY AND**  
28 **CORRECTIONAL SERVICES, THE DEPARTMENT SHALL SELECT BETWEEN THREE**  
29 **AND FIVE INDIVIDUALS TO PARTICIPATE IN THE PROGRAM WHO:**

30 **(1) HAVE RECENTLY EXITED THE CORRECTIONAL SYSTEM; AND**

1           **(2) HAVE IDENTIFIED AN INTEREST OR A SKILL SET THAT INDICATES**  
 2 **A LIKELIHOOD OF SUCCESSFUL IMPLEMENTATION OF THE BUSINESS PLAN**  
 3 **PROPOSED BY THE INDIVIDUAL.**

4           **(E) AN INDIVIDUAL SELECTED TO PARTICIPATE IN THE PROGRAM SHALL**  
 5 **RECEIVE TRAINING AND MENTORING IN THE DEVELOPMENT OF A BUSINESS PLAN.**

6           **(F) THE DEPARTMENT SHALL:**

7                 **(1) PARTNER AN INDIVIDUAL PARTICIPATING IN THE PROGRAM WITH**  
 8 **A MENTOR WHO WILL GUIDE THE INDIVIDUAL OVER A 3-YEAR PERIOD FOLLOWING**  
 9 **THE IMPLEMENTATION OF THE INDIVIDUAL’S BUSINESS PLAN; AND**

10                **(2) ASSIST THE INDIVIDUAL IN OBTAINING FINANCING FOR THE**  
 11 **INDIVIDUAL’S SMALL BUSINESS THROUGH THE MARYLAND SMALL BUSINESS**  
 12 **DEVELOPMENT FINANCING AUTHORITY.**

13           SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 31,  
 14 2020, the Department of Labor, Licensing, and Regulation shall report to the General  
 15 Assembly, in accordance with § 2-1246 of the State Government Article, on the  
 16 effectiveness of the Pilot Program established under this Act in assisting individuals who  
 17 have been recently released from the correctional system in establishing successful, stable  
 18 small businesses.

19           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
 20 1, 2015. It shall remain effective for a period of 5 years and 6 months, at the end of  
 21 December 31, 2020, with no further action required by the General Assembly, this Act shall  
 22 be abrogated and of no further force and effect.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.