

HOUSE BILL 853

C8

EMERGENCY BILL
ENROLLED BILL

(11r0029)

— *Ways and Means/Finance* —

Introduced by **Chair, Ways and Means Committee (By Request – Departmental – Commerce)**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Small, Minority, and Women-Owned Businesses Account – Alterations**

3 FOR the purpose of expanding the eligible uses of the Small, Minority, and Women-Owned
4 Businesses Account to include the provision of certain grants and the conversion of
5 certain loan amounts into grants in areas declared to be federal disaster areas or
6 subject to a federal or State declaration of emergency; limiting the amount of certain
7 grants and loan amounts converted to grants that may be provided to a certain
8 business or in a certain fiscal year; making this Act an emergency measure; and
9 generally relating to the Small, Minority, and Women-Owned Businesses Account.

10 BY repealing and reenacting, without amendments,

11 Article – Economic Development

12 Section 5–1501(a) and (c)

13 Annotated Code of Maryland

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.

Italics indicate opposite chamber/conference committee amendments.



1 (2018 Replacement Volume and 2020 Supplement)

2 BY adding to

3 Article – Economic Development

4 Section 5–1501(h)

5 Annotated Code of Maryland

6 (2018 Replacement Volume and 2020 Supplement)

7 BY repealing and reenacting, with amendments,

8 Article – Economic Development

9 Section 5–1501(h) and (i)

10 Annotated Code of Maryland

11 (2018 Replacement Volume and 2020 Supplement)

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

14 **Article – Economic Development**

15 5–1501.

16 (a) There is a Small, Minority, and Women–Owned Businesses Account under the
17 authority of the Department.

18 (c) (1) In this subsection, “eligible fund manager”:

19 (i) means an entity that has significant financial or investment
20 experience, under criteria developed by the Department; and

21 (ii) includes an entity that the Department designates to manage
22 funds received under subsection (b)(1)(i) of this section.

23 (2) Subject to the provisions of paragraph (3) of this subsection, the
24 Department shall make grants to eligible fund managers to provide investment capital and
25 loans to small, minority, and women–owned businesses in the State.

26 (3) Except for money received from the Strategic Energy Investment Fund,
27 the Department shall ensure that eligible fund managers allocate at least 50% of the funds
28 from this Account to small, minority, and women–owned businesses in the jurisdictions and
29 communities surrounding a video lottery facility.

30 **(H) (1) NOTWITHSTANDING ANY PROVISIONS IN THIS SECTION TO THE**
31 **CONTRARY, THIS SUBSECTION APPLIES TO BUSINESSES IN AREAS OF THE STATE**
32 **THAT ARE:**

33 **(I) DECLARED TO BE FEDERAL DISASTER AREAS;**

1 (II) SUBJECT TO A FEDERAL DECLARATION OF EMERGENCY; OR

2 (III) SUBJECT TO AN OFFICIAL DECLARATION OF EMERGENCY BY
3 THE GOVERNOR.

4 (2) IN AN AREA OF THE STATE DESCRIBED IN PARAGRAPH (1) OF THIS
5 SUBSECTION, AN ELIGIBLE FUND MANAGER MAY:

6 (I) PROVIDE FINANCIAL ASSISTANCE UNDER THIS SECTION TO
7 A SMALL, MINORITY, OR WOMEN-OWNED BUSINESS IN THE FORM OF A GRANT; OR

8 (II) CONVERT TO A GRANT PART OR ALL OF A LOAN THAT WAS
9 PROVIDED TO A SMALL, MINORITY, OR WOMEN-OWNED BUSINESS BEFORE THE AREA
10 WAS DECLARED A FEDERAL DISASTER AREA OR BECAME SUBJECT TO A
11 DECLARATION OF EMERGENCY.

12 (3) (I) THE AMOUNT OF ANY GRANT OR LOAN CONVERTED TO A
13 GRANT UNDER THIS SUBSECTION MAY NOT EXCEED \$50,000 FOR A SINGLE
14 BUSINESS.

15 (II) THE AGGREGATE TOTAL OF FINANCIAL ASSISTANCE
16 PROVIDED IN THE FORM OF GRANTS AND LOANS CONVERTED TO GRANTS UNDER
17 THIS SUBSECTION MAY NOT EXCEED ~~\$2,500,000~~ \$10,000,000 IN A FISCAL YEAR.

18 [(h)] (I) The Legislative Auditor shall audit the utilization of the funds that are
19 allocated to small, minority, and women-owned businesses by eligible fund managers
20 under subsection (c)(3) of this section during an audit of the applicable State unit as
21 provided in § 2-1220 of the State Government Article.

22 [(i)] (J) (1) On or before October 1 each year, the Department shall submit a
23 report on the status of money received from the Strategic Energy Investment Fund under
24 subsection (d) of this section to the Senate Finance Committee and the House Economic
25 Matters Committee, in accordance with § 2-1257 of the State Government Article.

26 (2) With respect to the preceding fiscal year and each relevant prior fiscal
27 year, the report shall include:

28 (i) the amounts received from the Fund;

29 (ii) the amounts placed as grants with eligible fund managers; and

30 (iii) with respect to each eligible fund manager:

31 1. the identity of the manager;

