

SENATE BILL 47

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(PRE-FILED)

6lr0187

CF HB 235

By: Chair, Education, Energy, and the Environment Committee (By Request – Departmental – Housing and Community Development)

Requested: September 22, 2025

Introduced and read first time: January 14, 2026

Assigned to: Education, Energy, and the Environment

A BILL ENTITLED

1 AN ACT concerning

2 **Housing and Community Development – Neighborhood Business Development
3 Program – Local Approval Requirement**

4 FOR the purpose of repealing a certain requirement for approval by a political subdivision
5 of a certain application for financial assistance under the Neighborhood Business
6 Development Program from the Department of Housing and Community
7 Development; and generally relating to the Neighborhood Business Development
8 Program.

9 BY repealing and reenacting, with amendments,
10 Article – Housing and Community Development
11 Section 6–305
12 Annotated Code of Maryland
13 (2019 Replacement Volume and 2025 Supplement)

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

16 **Article – Housing and Community Development**

17 6–305.

18 (a) (1) A small business, nonprofit organization, or microenterprise may apply
19 for financial assistance under the Business Development Program.

20 (2) The Department shall review each application.

21 (b) An applicant may qualify for financial assistance for a project in a priority
22 funding area or an eligible opportunity zone if the application demonstrates that:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



3 (2) the project is ready to proceed when it receives financial assistance from
4 the Business Development Program; and

(3) any food desert project includes a plan to seek out sources of Maryland-grown produce and Maryland produced foods.

9 [(2) Except as provided in paragraph (3) of this subsection, the Department
10 may not approve an application unless the political subdivision in which the proposed
11 project is located approves the application by:

12 (i) resolution; or

13 (ii) letter, delivered to the Department by the political subdivision's
14 authorized designee, expressing support of the plan or project.

19 (d) Financial assistance under the Business Development Program may be
20 provided to a small business, nonprofit organization, or microenterprise as:

21 (1) a grant;

22 (2) a loan;

23 (3) a reduction in the principal obligation of or interest rate on a loan or
24 portion of a loan;

25 (4) a prepayment of interest on a subordinate or superior loan or portion of
26 a loan;

27 (5) an assurance;

28 (6) a guarantee;

29 (7) any other form of credit enhancement; or

(8) a promissory note that may be converted to an equity ownership interest and liquidated at the earliest opportunity to realize the highest market value for the Department.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
11 1, 2026.