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(PRE-FILED)

# By: Delegates Taylor, Busch, Cummings, Hurson, Guns, Hixson, Rawlings, $\frac{\mathsf{and}\ \mathsf{Vallario}}{\mathsf{Indiano}}$

Vallario, Donoghue, Harrison, Kirk, Krysiak, and Love

Requested: November 15, 1995

Introduced and read first time: January 10, 1996

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 1, 1996

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CHAPTER \_\_\_\_

## 1 AN ACT concerning

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# 2 Heritage Preservation and Tourism Areas

3 FOR the	purpose of establishing a Maryland Heritage Areas Authority as an independent
4	unit of the Executive Branch that functions in the Department of Housing and
5	Community Development; specifying the composition of the Authority and the
6	terms of the Authority members; specifying the powers and duties of the Authority;
7	requiring the Department to dedicate certain staff to the Authority in accordance
8	with the State budget; allowing certain units of government to detail staff to
9	recognized or certified heritage areas under certain circumstances; providing that
10	employees of units of State government that are dedicated to the Authority or
11	detailed to recognized or certified heritage areas retain a certain status under
12	certain circumstances; establishing a Maryland System of Heritage Areas; providing
13	for the designation of <u>recognized heritage areas and certified</u> heritage areas;
14	providing that a certain area is the initial certified heritage area; requiring certain
15	heads of units of State government and certain units of State government to take
16	certain actions concerning recognized heritage areas and certified heritage areas;
17	requiring the preparation of certain management plans; authorizing the award of
18	certain grants and loans; establishing a Maryland Heritage Areas Authority
19	Financing Fund; providing for the sources and uses of the Fund; authorizing the
20	Authority to issue certain bonds under certain circumstances; providing for the
21	issuance, sale, and repayment of the bonds; authorizing certain tax credits against
22	the State income tax; allowing certain credits against certain Statetaxes for certain
23	amounts expended in the rehabilitation of certain structures; repealing a
24	subtraction modification under the income tax for certain expenses for the
25	rehabilitation of certain structures; allowing certain credits against the State income

tax for certain wages paid by certain business entities to certain employees;

1	providing for the allocation of certain runds from the State's snareof Program Oper
2	Space funds to the Maryland Heritage Areas Financing Fund; providing for certain
3	property tax credits; providing a certain administrative appeal fromcertain actions
4	of the Authority; providing that certain provisions of law governingthe Maryland
5	Heritage Areas Authority, and the Maryland Heritage Areas Financing Authority
6	shall be construed in a certain manner; defining certain terms; providing for the
7	application of certain provisions of this Act; and generally relating to the
8	preservation of heritage areas in the State, the Maryland Heritage Areas Authority,
9	the Maryland Heritage Areas Authority Financing Fund, and the designation of,
10	management of, and benefits to persons in recognized heritage areas and certified
11	heritage areas.
11	nemage areas.
12	BY adding to
13	Article - Financial Institutions
14	Section 13-1101 through <del>13-1125</del> <u>13-1124</u> , inclusive, to be under the new subtitle
15	"Subtitle 11. Heritage Areas"
16	Annotated Code of Maryland
17	(1992 Replacement Volume and 1995 Supplement)
10	DV 11' ·
	BY adding to
19	Article 48A - Insurance Code
20	Section 634A
21	Annotated Code of Maryland
22	(1994 Replacement Volume and 1995 Supplement)
23	BY adding to
24	Article - Insurance
25	Section 6-105.1
26	Annotated Code of Maryland
27	(1995 Volume)
28	(As enacted by Chapter 36 of the Acts of the General Assembly of 1995)
20	BY adding to
30	Article - Tax - General
31	Section 8-208.1, 8-406.1, 10-702.1, and 10-704.4
32	
33	Annotated Code of Maryland (1988 Volume and 1995 Supplement)
33	(1900 Volume and 1993 Supplement)
34	BY repealing
35	Article - Tax - General
36	Section 10-208(h)
37	Annotated Code of Maryland
38	(1988 Volume and 1995 Supplement)
39	BY repealing and reenacting, with amendments,
40	Article Tax - General

1	Section 10-208(i), (i-1), (i-2), (j), and (k)
2	Annotated Code of Maryland
3	(1988 Volume and 1995 Supplement)
4	BY repealing and reenacting, with amendments,
5	Article - Tax - Property
6	Section 9-204.1 and 13-209(d)
7	Annotated Code of Maryland
8	(1994 Replacement Volume and 1995 Supplement)
9	BY adding to
10	Article 83B - Department of Housing and Community Development
11	Section 5-801 to be under the new subtitle "Subtitle 8. Rehabilitation Tax Credits"
12	Annotated Code of Maryland
13	(1995 Replacement Volume)
14	BY repealing and reenacting, with amendments,
15	Article - Natural Resources
16	<u>Section 5-903(a)</u>
17	Annotated Code of Maryland
18	(1989 Replacement Volume and 1995 Supplement)
19	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20	MARYLAND, That the Laws of Maryland read as follows:
21	Article - Financial Institutions
22	SUBTITLE 11. HERITAGE AREAS.
23	PART I. DEFINITIONS; GENERAL PROVISIONS.
24	13-1101.
25	(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
	INDICATED.
27	(B) "AUTHORITY" MEANS THE MARYLAND HERITAGE AREAS AUTHORITY
	ESTABLISHED UNDER § <del>13-1105</del> 13-1103 OF THIS SUBTITLE.
20	ESTABLISHED UNDER § 13-1103 OF THIS SUBTILLE.
29	(C) "BONDS" MEANS TAXABLE OR TAX-EXEMPT BONDS, INCLUDING
30	REFUNDING BONDS, BOND ANTICIPATION NOTES, REVENUE ANTICIPATION NOTES,
31	GRANT ANTICIPATION NOTES, NOTES IN THE NATURE OF COMMERCIAL PAPER,
32	CERTIFICATES, OR ANY OTHER EVIDENCE OF OBLIGATION ISSUED BY THE
33	AUTHORITY.
34	(D) "CERTIFIED HERITAGE AREA" MEANS A HERITAGE AREA DESIGNATED IN
35	ACCORDANCE WITH § 13-1111 OF THIS SUBTITLE.

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1 2	(D) (E) "FUND" MEANS THE MARYLAND HERITAGE AREAS AUTHORITY FINANCING FUND ESTABLISHED UNDER $\S$ 13-1114 OF THIS SUBTITLE.
3 4	$(\underline{E})$ $(\underline{F})$ (1) "HERITAGE AREA" MEANS A $\underline{DEFINABLE}$ SETTLED $\underline{DEVELOPED}$ AREA OF PUBLIC AND PRIVATE USES THAT:
	(I) RANGES IN SIZE FROM A PORTION OF A MUNICIPALITY COUNTY OR MUNICIPAL CORPORATION TO A REGIONAL AREA WITH A SPECIAL COHERENCE; AND
10	(II) IS DISTINGUISHED BY PHYSICAL AND CULTURAL RESOURCES WHICH PLAY HAVE PLAYED A VITAL ROLE IN THE LIFE HISTORIC LIFE AND DEVELOPMENT OF THE COMMUNITY AND CONTRIBUTE TO THE PUBLIC THROUGH INTERPRETIVE, EDUCATIONAL, AND RECREATIONAL USE TO THE PUBLIC.;
	(2) "HERITAGE AREA" INCLUDES TRADITIONAL PARKS AND HISTORIC PLACES OR PROPERTY ON THE NATIONAL OR STATE REGISTER OF HISTORIC PROPERTIES.
	(3) "HERITAGE AREA" DOES NOT INCLUDE A PARK OR HISTORIC PLACE AS THOSE TERMS ARE USED IN OTHER LAWS, INCLUDING LAWS RELATING TO ALIENATION OF PARKLAND AND REGULATION OF PUBLIC OR PRIVATE ACTIVITIES.
18 19	(III) IS COMPOSED OF CONTIGUOUS OR NONCONTIGUOUS GEOGRAPHIC AREAS; AND
20 21	(IV) MAY INCLUDE TRADITIONAL PARKS AND HISTORIC PLACES OR PROPERTY ON THE NATIONAL OR STATE REGISTER OF HISTORIC PROPERTIES.
24	(G) (1) "LOCAL PLAN" MEANS THE POLICIES, STATEMENTS, GOALS, AND INTERRELATED PLANS FOR PRIVATE AND PUBLIC LAND USE, TRANSPORTATION, AND COMMUNITY FACILITIES DOCUMENTED IN TEXTS AND MAPS WHICH CONSTITUTE THE GUIDE FOR THE AREA'S FUTURE DEVELOPMENT.
	(2) "LOCAL PLAN" INCLUDES A GENERAL PLAN, MASTER PLAN, COMPREHENSIVE PLAN, COMMUNITY PLAN, AND THE LIKE AS ADOPTED IN ACCORDANCE WITH ARTICLE 66B, §§ 3.01 THROUGH 3.09.
31 32 33	ACCORDANCE WITH § 13-1111 OF THIS SUBTITLE THAT INCLUDES A COMPREHENSIVE STATEMENT IN WORDS, MAPS, ILLUSTRATIONS, OR OTHER MEDIA OF COMMUNICATION OF THE OBJECTIVES, POLICIES, AND STANDARDS TO GUIDE PUBLIC AND PRIVATE ACTION FOR THE PRESERVATION, INTERPRETATION,
	DEVELOPMENT, AND USE OF <u>THE</u> CULTURAL, HISTORIC, NATURAL, AND ARCHITECTURAL RESOURCES OF A <u>STATE DESIGNATED</u> CERTIFIED HERITAGE

37 (G) "STATE DESIGNATED HERITAGE AREA" MEANS A HERITAGE AREA

38 DESIGNATED IN ACCORDANCE WITH PART II OF THIS SUBTITLE.

36 AREA.

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(I) "RECOGNIZED HERITAGE AREA" MEANS A HERITAGE AREA THAT:

	(1) THE LOCAL JURISDICTIONS WITHIN THE HERITAGE AREA HAVE NOMINATED FOR DESIGNATION AS A RECOGNIZED HERITAGE AREA UNDER § 13-1110 OF THIS SUBTITLE; AND
	(2) THE HERITAGE AREAS AUTHORITY HAS DESIGNATED AS ELIGIBLE TO APPLY FOR DESIGNATION AS A CERTIFIED HERITAGE AREA UNDER § 13-1111 OF THIS SUBTITLE.
7	<del>13-1102.</del>
8	THE GENERAL ASSEMBLY MAKES THE FOLLOWING FINDINGS:
	(1) THE URBAN AND RURAL AREAS OF THE STATE ARE RICH IN CULTURAL AND NATURAL RESOURCES OF STATEWIDE SIGNIFICANCE ASSOCIATED WITH STATE GROWTH AND ATTAINMENTS OVER TIME;
	(2) THESE RESOURCES OFFER EDUCATIONAL, INSPIRATIONAL, RECREATIONAL, AND ECONOMIC BENEFITS FOR PRESENT AND FUTURE GENERATIONS;
	(3) IT IS IN THE INTEREST OF THE STATE TO PRESERVE THESE RESOURCES THROUGH THEIR IDENTIFICATION, INTERPRETATION, DEVELOPMENT, AND USE IN A SYSTEM MADE UP OF STATE DESIGNATED HERITAGE AREAS; AND
20 21	(4) IN COOPERATION WITH THE FEDERAL GOVERNMENT, REGIONS, LOCAL JURISDICTIONS, AND OTHER PUBLIC AND PRIVATE ORGANIZATIONS AND CONCERNED INDIVIDUALS, THE STATE SHOULD IMPROVE AND COORDINATE THE PLANS, FUNCTIONS, POWERS, AND PROGRAMS OF THE STATE AS THEY AFFECT THE STATE'S URBAN AND RURAL CULTURAL AND NATURAL RESOURCES.
23	<del>13-1103.</del>
26	OTHER LAWS OF THE STATE THAT APPLY TO SPECIFIC PARKS OR HISTORIC PLACES, INCLUDING LAWS RELATING TO THE ALIENATION OF PARKLAND AND THE REGULATION OF PUBLIC OR PRIVATE ACTIVITIES, APPLY WITHIN A STATE DESIGNATED HERITAGE AREA.
28	<del>13-1104.</del> <u>13-1102.</u>
29	THIS SUBTITLE:
30 31	(1) SHALL BE LIBERALLY CONSTRUED TO EFFECT ITS PURPOSES; $\frac{\mathrm{AND}}{\mathrm{AND}}$
	(2) MAY NOT SHALL BE CONSTRUED TO BE INCONSISTENT CONSISTENTLY WITH ANY APPLICABLE FEDERAL LAW OR WITH THE AUTHORITY OF ANY FEDERAL AGENCY UNDER THAT LAW.
35	PART II. MARYLAND <del>STATE</del> HERITAGE AREAS AUTHORITY.
36	<del>13-1105.</del> <u>13-1103.</u>
37	(A) THERE IS A BODY CORPORATE AND POLITIC KNOWN AS THE MARYLAND

38 HERITAGE AREAS AUTHORITY.

1 2	(B) THE AUTHORITY IS AN INSTRUMENTALITY OF THE STATE AND A PUBLIC CORPORATION BY THAT NAME, STYLE, AND TITLE.
-	(C) THE AUTHORITY IS AN INDEPENDENT UNIT IN THE EXECUTIVE BRANCH OF THE STATE GOVERNMENT THAT FUNCTIONS IN THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT.
6 7	(D) THE EXERCISE BY THE AUTHORITY OF THE POWERS CONFERRED BY THIS SUBTITLE IS THE PERFORMANCE OF AN ESSENTIAL PUBLIC FUNCTION.
8	(A) THERE IS A MARYLAND HERITAGE AREAS AUTHORITY, ESTABLISHED AS:
9	(1) A BODY CORPORATE AND POLITIC; AND
10	(2) AN INSTRUMENTALITY OF THE STATE.
	(B) THE AUTHORITY IS AN INDEPENDENT UNIT OF GOVERNMENT IN THE EXECUTIVE BRANCH OF GOVERNMENT THAT OPERATES IN THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT.
14 15	(C) THE EXERCISE BY THE AUTHORITY OF THE POWERS CONFERRED BY THIS SUBTITLE IS THE PERFORMANCE OF AN ESSENTIAL PUBLIC FUNCTION.
16	<del>13-1106.</del> <u>13-1104.</u>
17	(A) THE AUTHORITY CONSISTS OF:
18 19	(1) THE SECRETARY OF HOUSING AND COMMUNITY DEVELOPMENT, WHO SHALL SERVE AS CHAIRMAN OF THE AUTHORITY:
20	(2) THE SECRETARY OF BUSINESS AND ECONOMIC DEVELOPMENT;
21	(3) THE SECRETARY OF HIGHER EDUCATION;
22	(4) THE SECRETARY OF TRANSPORTATION;
23	(5) THE SECRETARY OF NATURAL RESOURCES;
24	(6) THE DIRECTOR OF THE OFFICE OF PLANNING;
25	(7) THE STATE HISTORIC PRESERVATION OFFICER; AND
26	(8) THE DIRECTOR OF THE FORVM FOR RURAL MARYLAND; AND
27 28	(8) $(9)$ EIGHT NINE MEMBERS APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE:
29 30	(I) TWO OF WHOM SHALL BE ELECTED OFFICIALS OR REPRESENTATIVES OF LOCAL JURISDICTIONS;
31 32	(II) TWO OF WHOM SHALL BE APPOINTED FROM NAMES RECOMMENDED BY THE PRESIDENT OF THE MARYLAND SENATE; $\frac{AND}{C}$
33	(III) TWO OF WHOM SHALL BE APPOINTED FROM NAMES

34 RECOMMENDED BY THE SPEAKER OF THE HOUSE OF DELEGATES:

37

1 2	(IV) ONE OF WHOM IS A PUBLIC MEMBER OF THE MARYLAND GREENWAYS COMMISSION;
3	(V) ONE OF WHOM IS A PUBLIC MEMBER OF THE MARYLAND TOURISM BOARD; AND
	(VI) ONE OF WHOM IS A MEMBER OF THE PUBLIC WHO HAS SIGNIFICANT EDUCATION OR EXPERIENCE IN HISTORIC PRESERVATION OR HERITAGE TOURISM.
8 9	(B) OF THE ELECTED OFFICIALS OR REPRESENTATIVES FROM LOCAL JURISDICTIONS, THE GOVERNOR SHALL APPOINT:
10 11	(1) ONE ELECTED OFFICIAL OR REPRESENTATIVE FROM A LIST SUBMITTED BY THE MARYLAND ASSOCIATION OF COUNTIES; AND
12 13	(2) ONE ELECTED OFFICIAL OR REPRESENTATIVE FROM A LIST SUBMITTED BY THE MARYLAND MUNICIPAL LEAGUE.
14 15	(C) THE MEMBERS APPOINTED TO THE AUTHORITY SHALL REPRESENT THE GENDER, RACIAL, AND GEOGRAPHIC MAKEUP OF THE STATE.
18	(B) (D) A CABINET MEMBER OF THE AUTHORITY MAY DESIGNATE A REPRESENTATIVE TO ACT IN THE ABSENCE OF THE CABINET MEMBER, IF THE REPRESENTATIVE IS NOT BELOW THE LEVEL OF ASSISTANT SECRETARY OR EQUIVALENT RANK.
	$\frac{(C)}{(E)}(1)$ EXCEPT FOR STATE OFFICIALS, THE TERM OF A MEMBER OF THE AUTHORITY IS 4 YEARS.
	(2) THE TERMS OF MEMBERS APPOINTED BY THE GOVERNOR ARE STAGGERED AS REQUIRED BY THE TERMS PROVIDED FOR MEMBERS ON OCTOBER 1, 1996.
25 26	(3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.
	(4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.
	(5) AT THE END OF THE TERM OF A MEMBER OR ON THE RESIGNATION OR REMOVAL OF A MEMBER, THE GOVERNOR SHALL APPOINT A MEMBER TO THE AUTHORITY WITH THE ADVICE AND CONSENT OF THE SENATE.
	( <del>D)</del> ( <u>F)</u> THE GOVERNOR MAY REMOVE A MEMBER <u>THAT A GOVERNOR APPOINTED</u> FOR INCOMPETENCE, MISCONDUCT, OR FAILURE TO PERFORM THE DUTIES OF THE POSITION.
36	<del>13-1107.</del> 13-1105.

(A) EIGHT NINE VOTING MEMBERS OF THE AUTHORITY ARE A QUORUM.

	(B) AN ACTION OF THE AUTHORITY MUST RECEIVE THE AFFIRMATIVE VOTE OF AT LEAST SIX MEMBERS A MAJORITY OF THE VOTING MEMBERS OF THE AUTHORITY.
4 5	(C) THE AUTHORITY SHALL DETERMINE THE TIMES AND PLACES OF ITS MEETINGS.
6	(D) A MEMBER OF THE AUTHORITY:
7	(1) MAY NOT RECEIVE COMPENSATION; BUT
8 9	(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.
10	<del>13-1108.</del> <u>13-1106.</u>
13	(A) <u>IN ACCORDANCE WITH THE STATE BUDGET</u> , THE DIVISION OF HISTORICAL AND CULTURAL PROGRAMS WITHIN THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT SHALL <u>PROVIDE</u> <u>DEDICATE ADMINISTRATIVE</u> STAFF FOR THE AUTHORITY.
	(B) THE STAFF PROVIDED BY THE DIVISION OF HISTORICAL AND CULTURAL PROGRAMS UNDER SUBSECTION (A) OF THIS SECTION SHALL CONSIST OF THREE PROFESSIONAL AND ONE SUPPORT STAFF.
18 19	(C) ON THE REQUEST OF THE AUTHORITY, OTHER UNITS OF STATE GOVERNMENT SHALL DETAIL STAFF TO THE AUTHORITY.
22	(B) (1) AS THE AUTHORITY CONSIDERS APPROPRIATE, THE AUTHORITY MAY REQUEST OTHER UNITS OF STATE GOVERNMENT TO DETAIL STAFF OR PROVIDE TECHNICAL ASSISTANCE TO RECOGNIZED AND CERTIFIED HERITAGE AREAS.
	(2) ON REQUEST OF THE AUTHORITY, OTHER UNITS OF STATE GOVERNMENT MAY DETAIL STAFF OR TECHNICAL ASSISTANCE TO SPECIFIC RECOGNIZED OR CERTIFIED HERITAGE AREAS.
27	<del>13-1109.</del> <u>13-1107.</u>
28 29	IN ADDITION TO THE POWERS SET FORTH ELSEWHERE IN THIS SUBTITLE, THE AUTHORITY MAY:
	(1) RECOGNIZE HERITAGE AREAS IN ACCORDANCE WITH § 13-1110 OF THIS SUBTITLE AND CERTIFY RECOGNIZED HERITAGE AREAS IN ACCORDANCE WITH § 13-1111 OF THIS SUBTITLE;
33 34	(2) APPROVE OR REJECT MANAGEMENT PLANS FOR CERTIFIED HERITAGE AREAS IN ACCORDANCE WITH § 13-1111 OF THIS SUBTITLE;
35	(1) (3) ADOPT AND ALTER AN OFFICIAL SEAL;
36	(2) (4) SUE AND BE SUED, PLEAD, AND BE IMPLEADED;
37 38	(3) (5) ADOPT BYLAWS TO REGULATE ITS AFFAIRS AND THE CONDUCT OF ITS BUSINESS;

	(4) (6) IN ACCORDANCE WITH TITLE 10, SUBTITLE 1 OF THE STATE GOVERNMENT ARTICLE, ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE;
6 7	(5) (7) EMPLOY, EITHER AS REGULAR EMPLOYEES OR AS INDEPENDENT CONTRACTORS, AND FIX THE COMPENSATION OF, ACCOUNTANTS, ARCHITECTS, ATTORNEYS, CONSTRUCTION EXPERTS, PERSONNEL CONSULTANTS, ENGINEERS, FINANCIAL EXPERTS, MANAGERS, SUPERINTENDENTS, AND OTHER PROFESSIONAL PERSONNEL AND AGENTS;
11	(6) (8) APPOINT ADVISORY COMMITTEES COMPOSED OF LOCAL OFFICIALS, REPRESENTATIVES OF THE BUSINESS COMMUNITY AND PRESERVATION COMMUNITIES, AND REPRESENTATIVES OF OTHER INTERESTS AS THE AUTHORITY DEEMS APPROPRIATE;
13 14	(7) DESIGNATE HERITAGE AREAS IN ACCORDANCE WITH § 13-1112 OF THIS SUBTITLE;
15 16	(8) APPROVE OR REJECT MANAGEMENT PLANS FOR HERITAGE AREAS IN ACCORDANCE WITH § 13-1113 OF THIS SUBTITLE;
19 20 21	(9) SUBJECT TO ANNUAL APPROPRIATIONS AND THE PRIOR APPROVAL OF THE BOARD OF PUBLIC WORKS, ACQUIRE IN ITS OWN NAME, BY GIFT OR PURCHASE, ANY REAL OR PERSONAL PROPERTY, OR INTERESTS IN PERSONAL PROPERTY, NECESSARY OR CONVENIENT TO SUPPORT A CERTIFIED HERITAGE AREA AND CARRY OUT THE RESPONSIBILITIES OF THE AUTHORITY UNDER THIS SUBTITLE;
25 26 27 28 29	(10) SUBJECT TO ANNUAL APPROPRIATION AND TO THE PRIOR APPROVAL OF THE BOARD OF PUBLIC WORKS, ACQUIRE IN ITS OWN NAME, BY GIFT OR PURCHASE, ANY REAL PROPERTY OR INTERESTS IN REAL PROPERTY NECESSARY OR CONVENIENT TO SUPPORT A CERTIFIED HERITAGE AREA AND CARRY OUT THE RESPONSIBILITIES OF THE AUTHORITY UNDER THIS SUBTITLE;  (10) (11) ENTER INTO CONTRACTS OF ANY KIND AND EXECUTE ALL INSTRUMENTS NECESSARY OR CONVENIENT TO CARRY OUT ITS POWERS UNDER THIS SUBTITLE;
31 32 33 34	(11) (12) MAKE AND PARTICIPATE IN MAKING LOANS OR GRANTS, OR OTHERWISE PROVIDE FINANCIAL ASSISTANCE FOR ANY PROJECT THAT SERVES TO PRESERVE, DEVELOP, MAINTAIN, OR PROTECT A STATE DESIGNATED HERITAGE AREA;
	(12) (I) BORROW MONEY FROM ANY SOURCE FOR ANY CORPORATE PURPOSE PURPOSE OF THIS SUBTITLE, INCLUDING CAPITAL FOR ITS OPERATIONS, RESERVE FUNDS, OR INTEREST;

38 (II) MORTGAGE, PLEDGE, OR OTHERWISE ENCUMBER THE

39 PROPERTY AND FUNDS OF THE AUTHORITY; AND

	(III) CONTRACT WITH OR ENGAGE THE SERVICES OF ANY PERSON FOR ANY FINANCING, INCLUDING UNDERWRITERS, PLACEMENT AGENTS, FINANCIAL INSTITUTIONS, ISSUERS OF LETTERS OF CREDIT, OR INSURERS;
4	(13) (14) SUBJECT TO PART IV OF THIS SUBTITLE, ISSUE BONDS;
5 6	(14) (15) RECEIVE AND ACCEPT FROM ANY PUBLIC OR PRIVATE SOURCE CONTRIBUTIONS, GIFTS, OR GRANTS OF MONEY OR PROPERTY;
	(45)(16) EXERCISE ALL THE CORPORATE POWERS GRANTED MARYLAND CORPORATIONS UNDER THE MARYLAND GENERAL CORPORATION LAW; AND
	$\frac{(16)}{(17)}$ Subject to the limitations under this subtitle, do all things necessary or convenient to carry out the powers granted by this subtitle.
13	<del>13-1110.</del> <u>13-1108.</u>
14	THE AUTHORITY SHALL:
15	(1) MEET AT LEAST TWICE EACH YEAR;
18	(2) DEVELOP AND PROMULGATE ADOPT STANDARDS, CRITERIA, AND GUIDANCE FOR ITS REVIEW AND APPROVAL OF RECOGNIZED AND CERTIFIED HERITAGE AREA DESIGNATIONS, MANAGEMENT PLANS, GRANTS AND LOANS, OR OTHER APPROVALS AS PROVIDED IN REQUIRED UNDER THIS SUBTITLE;
	(3) ASSIST IN COORDINATING STATE ACTIONS WITH THE OBJECTIVES OF THE SYSTEM OF HERITAGE AREAS AND ASSIST AND MAKE RECOMMENDATIONS NECESSARY TO CARRY OUT THE PURPOSES OF THIS SUBTITLE;
25	(4) (I) REVIEW COMPLAINTS MADE BY LOCAL GOVERNMENTS OR OTHER ENTITIES ESTABLISHED TO ADMINISTER HERITAGE AREAS THAT RELATE TO ACTIVITIES UNDERTAKEN BY STATE AGENCIES WHICH MAY ADVERSELY AFFECT HERITAGE AREA RESOURCES; AND
27 28	(II) RESOLVE ANY DISPUTES THAT MAY ARISE IN CONNECTION WITH THE EXERCISE OF ITS AUTHORITY UNDER THIS SUBTITLE; AND
31	(5) NOT LESS THAN ONCE A YEAR, SUBMIT REPORTS TO THE GOVERNOR AND THE GENERAL ASSEMBLY CONCERNING PROGRESS TOWARD IMPLEMENTING THE HERITAGE AREAS SYSTEM, INCLUDING RECOMMENDATIONS FOR THE FUTURE.
33	PART III. MARYLAND SYSTEM OF HERITAGE AREAS.
34	<del>13-1111.</del> <u>13-1109.</u>
35 36	THERE IS A MARYLAND SYSTEM OF HERITAGE AREAS THAT CONSISTS OF STATE DESIGNATED HERITAGE AREAS, RECOGNIZED HERITAGE AREAS AND
	CEPTIFIED HERITAGE AREAS THAT:

38 AREA;

1 2	$\underline{(1)}$ REFLECTS THE CULTURAL THEMES OF THE STATE'S DEVELOPMENT;; AND
3	(2) PROVIDES EDUCATIONAL, INSPIRATIONAL, ECONOMIC, AND RECREATIONAL BENEFITS FOR PRESENT AND FUTURE GENERATIONS.
5	<del>13-1112.</del> <u>13-1110.</u>
8	(A) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE AUTHORITY MAY CONSIDER PROPOSALS FOR STATE DESIGNATED HERITAGE AREAS SUBMITTED BY LOCAL JURISDICTIONS AND DESIGNATE UP TO ONE HERITAGE AREA AS A STATE DESIGNATED HERITAGE AREA IN EACH OF THE FOLLOWING REGIONS:
10 11	(I) WESTERN MARYLAND INCLUDING ALLEGANY, GARRETT, AND WASHINGTON COUNTIES;
12 13	(II) CAPITAL CORRIDOR INCLUDING FREDERICK, MONTGOMERY, AND PRINCE GEORGE'S COUNTIES;
14 15	(III) CENTRAL MARYLAND INCLUDING ANNE ARUNDEL, BALTIMORE, CARROLL, HARFORD, AND HOWARD COUNTIES;
16	(IV) BALTIMORE CITY;
17 18	(V) SOUTHERN MARYLAND INCLUDING CALVERT, CHARLES, AND ST. MARY'S COUNTIES; AND
	(VI) EASTERN SHORE INCLUDING CECIL, KENT, CAROLINE, QUEER ANNE'S, DORCHESTER, TALBOT, SOMERSET, WICOMICO, AND WORCESTER COUNTIES.
	(2) THE CANAL PLACE HISTORIC PRESERVATION DISTRICT ESTABLISHED UNDER SUBTITLE 10 OF THIS TITLE IS THE INITIAL HERITAGE AREA FOR THE WESTERN MARYLAND REGION.
	(A) (1) THE AUTHORITY MAY CONSIDER PROPOSALS SUBMITTED BY LOCAL JURISDICTIONS TO DESIGNATE A HERITAGE AREA AS A RECOGNIZED HERITAGE AREA.
28 29	(2) THE AUTHORITY SHALL ADOPT REGULATIONS THAT SPECIFY CRITERIA AND PROCEDURES FOR DESIGNATING RECOGNIZED HERITAGE AREAS.
30 31	(B) A PROPOSAL FOR THE DESIGNATION OF A HERITAGE AREA AS A STATE DESIGNATED RECOGNIZED HERITAGE AREA SHALL:
	(1) BE PREVIOUSLY APPROVED AND SUBMITTED BY <u>THE GOVERNING</u> <u>BODIES OF</u> ALL OF THE LOCAL JURISDICTIONS LOCATED WITHIN THE SPECIFIC BOUNDARIES PROPOSED FOR <u>DESIGNATION</u> <u>THE RECOGNIZED HERITAGE AREA;</u>
35 36	(2) TO THE MAXIMUM EXTENT PRACTICABLE, BE DEVELOPED IN CONSULTATION WITH AFFECTED STATE AGENCIES;
37	(2) (3) SPECIFY THE BOUNDARIES FOR THE <u>RECOGNIZED</u> HERITAGE

	(3) (4) IDENTIFY THE LOCAL ENTITY RESPONSIBLE FOR COORDINATING DEVELOPMENT OF THE MANAGEMENT PLAN REQUIRED UNDER § 13-1111 OF THIS SUBTITLE;
	(4) $(5)$ DESCRIBE THE CULTURAL, HISTORIC, AND NATURAL RESOURCES WHICH CONTRIBUTE TO THE SPECIAL CHARACTER OF THE HERITAGE AREA;
7 8	(5) $(6)$ SPECIFY THE GENERAL GOALS AND OBJECTIVES FOR THE PRESERVATION, DEVELOPMENT, AND MANAGEMENT OF THE HERITAGE AREA;
9 10	$\frac{(6)}{(7)}$ IDENTIFY THE TYPES OF PUBLIC AND PRIVATE USES TO BE ACCOMMODATED IN THE HERITAGE AREA;
	(7)(8) DESCRIBE STRATEGIES FOR ENCOURAGING AND ACCOMMODATING VISITATION TO AND COMPATIBLE ECONOMIC DEVELOPMENT OF THE HERITAGE AREA;
	$(8)\underline{(9)}$ PROVIDE AN ECONOMIC OVERVIEW OF THE LONG AND SHORT TERM COSTS AND BENEFITS RELATED TO THE DEVELOPMENT OF THE HERITAGE AREA; AND
19 20	(9) (10) DESCRIBE THE GENERAL TECHNIQUES AND MEANS TO BE INSTITUTED BY THE LOCAL JURISDICTIONS TO ASSURE THE LONG TERM PRESERVATION AND PROTECTION OF THE CULTURAL, HISTORIC, AND NATURAL RESOURCES WITHIN THE HERITAGE AREA, INCLUDING ZONING, SUBDIVISION CONTROLS, AND OTHER GROWTH MANAGEMENT TECHNIQUES.
	(C) THE AUTHORITY MAY NOT DESIGNATE A HERITAGE AREA AS A STATE DESIGNATED RECOGNIZED HERITAGE AREA UNLESS THE AUTHORITY FINDS THAT:
	(1) THE HERITAGE AREA CONTAINS RESOURCES OF STATEWIDE SIGNIFICANCE THAT HAVE RETAINED INTEGRITY OF SETTING AND A COHESIVE CHARACTER;
27	(2) THE HERITAGE AREA CONTAINS AT LEAST ONE OR MORE:
	$\underline{\text{(I)}}  HISTORIC DISTRICTS EITHER LISTED IN, OR DETERMINED TO BE ELIGIBLE FOR LISTING IN, THE MARYLAND REGISTER OF HISTORIC PROPERTIES IN ACCORDANCE WITH ARTICLE 83B, \S 5-615 OF THE CODE; OR$
	(II) NATURAL OR RECREATIONAL RESOURCES DETERMINED BY THE SECRETARY OF NATURAL RESOURCES TO BE OF STATEWIDE SIGNIFICANCE; AND
	(3) PUBLIC ASSISTANCE FOR THE HERITAGE AREA IS REASONABLY EXPECTED TO PRODUCE ADDITIONAL PRIVATE INVESTMENTS AND , JOB CREATION, AND TOURISM REVENUES.
37 38	(D) (1) THE BOUNDARIES FOR EACH STATE DESIGNATED RECOGNIZED HERITAGE AREA ARE THE BOUNDARIES DEPICTED ON THE MAP ACCOMPANYING

39 EACH PROPOSAL AS APPROVED BY THE AUTHORITY.

1	(2) AFTER INITIAL APPROVAL BY THE AUTHORITY OF THE
2	BOUNDARIES OF A STATE DESIGNATED RECOGNIZED HERITAGE AREA, THE
3	AUTHORITY MAY AMEND OR REVISE THE BOUNDARIES:
4	(I) WITH THE APPROVAL OF <u>ALL OF</u> THE LOCAL JURISDICTIONS
5	WHERE THE PROPERTY TO BE ADDED OR REMOVED IS LOCATED; AND
6	(II) ON PUBLICATION OF A REVISED DRAWING OR BOUNDARY
	DESCRIPTION IN THE MARYLAND REGISTER.
,	DESCRIPTION IN THE MARTLAND REGISTER.
8	(3) BOUNDARY MAPS FOR EACH STATE DESIGNATED RECOGNIZED
9	HERITAGE AREA SHALL BE KEPT ON FILE AT THE DEPARTMENT OF HOUSING AND
10	COMMUNITY DEVELOPMENT AND AT THE OFFICE OF THE COUNTY CLERK WHERE
11	THE STATE DESIGNATED RECOGNIZED HERITAGE AREA IS LOCATED.
12	(E) (1) A HERITAGE AREA DESIGNATED TO BE A STATE DESIGNATED
13	HERITAGE AREA THAT HAS NOT HAD A MANAGEMENT PLAN APPROVED BY THE
14	AUTHORITY WITHIN THREE YEARS OF THE EFFECTIVE DATE OF DESIGNATION
15	LOSES THAT DESIGNATION.
16	(2) IN EACH CASE WHERE THE THREE YEAR PERIOD SPECIFIED IN
17	PARAGRAPH (1) OF THIS SUBSECTION EXPIRES, THE AUTHORITY SHALL NOTIFY THE
18	GOVERNOR AND GENERAL ASSEMBLY IN WRITING OF THE REASONS WHY THE
19	AUTHORITY DID NOT APPROVE THE MANAGEMENT PLAN.
20	(F) (E) DESIGNATION OF A HERITAGE AREA BY THE AUTHORITY AS A
21	STATE DESIGNATED RECOGNIZED HERITAGE AREA ESTABLISHES ELIGIBILITY FOR
	MATCHING GRANT ASSISTANCE FOR THE DEVELOPMENT OF MANAGEMENT PLANS.
23	(G) THE AUTHORITY MAY RECOMMEND LEGISLATION TO THE GOVERNOR
24	AND THE GENERAL ASSEMBLY TO PERMIT THE DESIGNATION OF ADDITIONAL
25	STATE DESIGNATED HERITAGE AREAS BEYOND THOSE AUTHORIZED BY THIS
26	SUBTITLE.
27	<del>13-1113.</del> <u>13-1111.</u>
28	(A) FOR EACH HERITAGE AREA DESIGNATED AS A STATE DESIGNATED
29	HERITAGE AREA, THE SPONSORING LOCAL JURISDICTION SHALL PREPARE A
30	MANAGEMENT PLAN THAT SHALL:
31	(1) BE DEVELOPED IN COOPERATION AND CONSULTATION WITH THE
	AUTHORITY AND RELEVANT PRIVATE INTERESTS:
_	
33	(2) ON APPROVAL OF THE AUTHORITY, BE DEEMED TO BE THE PLAN
34	FOR BOTH THE STATE AND THE LOCAL JURISDICTION; AND
35	(3) BE COMPLETED AND SUBMITTED TO THE AUTHORITY FOR
	APPROVAL WITHIN THREE YEARS OF THE HERIT AGE AREA'S DESIGNATION AS A
	STATE DESIGNATED HERITAGE AREA.
38	(A) (1) THE AUTHORITY MAY CONSIDER PROPOSALS SUBMITTED BY THE
39	LOCAL JURISDICTIONS WITHIN A RECOGNIZED HERITAGE AREA TO DESIGNATE

 $40\,$  RECOGNIZED HERITAGE AREAS AS CERTIFIED HERITAGE AREAS.

	(2) THE SPONSORING LOCAL JURISDICTIONS SHALL PREPARE A PROPOSAL THAT INCLUDES A MANAGEMENT PLAN FOR THE RECOGNIZED HERITAGE AREA.
4 5	(3) THE LOCAL JURISDICTIONS SHALL DEVELOP THE MANAGEMENT PLAN IN COOPERATION AND CONSULTATION WITH THE AUTHORITY AND RELEVANT PRIVATE INTERESTS.
7	(4) ON APPROVAL OF THE MANAGEMENT PLAN BY THE AUTHORITY:
8 9	(I) THE AUTHORITY SHALL DESIGNATE THE RECOGNIZED HERITAGE AREA AS A CERTIFIED HERITAGE AREA; AND
	(II) THE MANAGEMENT PLAN SHALL BE THE PLAN FOR PURPOSES OF IMPLEMENTING THE CERTIFIED HERITAGE AREA FOR BOTH THE STATE AND LOCAL JURISDICTIONS.
	(B) THE AUTHORITY SHALL ADOPT REGULATIONS THAT SPECIFY THE CRITERIA AND PROCEDURES FOR THE CONSIDERATION AND ADOPTION OF A PROPOSED MANAGEMENT PLAN.
16 17	(C) THE AUTHORITY MAY NOT DESIGNATE MORE THAN TWO RECOGNIZED HERITAGE AREAS AS CERTIFIED HERITAGE AREAS IN EACH FISCAL YEAR.
20	(B) (D) THE AUTHORITY SHALL HOLD AT LEAST ONE PUBLIC HEARING CONCERNING THE DRAFT PROPOSED MANAGEMENT PLAN FOR A RECOGNIZED HERITAGE AREA IN EACH RECOGNIZED HERITAGE AREA PROPOSED FOR DESIGNATION AS A STATE DESIGNATED CERTIFIED HERITAGE AREA.
24 25	(C) (E) BEFORE SUBMISSION OF A MANAGEMENT PLAN TO THE AUTHORITY FOR APPROVAL, THE MANAGEMENT PLAN MUST BE SUBMITTED FOR APPROVAL TO THE LOCAL GOVERNING BODY OF EACH JURISDICTION WITHIN THE STATE DESIGNATED RECOGNIZED HERITAGE AREA IN THE FORM OF AN AMENDMENT TO THE LOCAL PLAN.
	( <del>D)</del> ( <u>F)</u> THE MANAGEMENT PLAN SHALL BE SUBMITTED TO THE AUTHORITY WITHIN FORTY-FIVE DAYS AFTER <del>LOCAL</del> APPROVAL <u>BY ALL LOCAL JURISDICTIONS WITHIN THE RECOGNIZED HERITAGE AREA</u> .
30 31	$\stackrel{ ext{(E)}}{ ext{(G)}}$ A MANAGEMENT PLAN FOR A STATE DESIGNATED CERTIFIED HERITAGE AREA SHALL INCLUDE:
32	(1) AN IDENTIFICATION OF:
	(I) THE BOUNDARIES OF THE HERITAGE AREA RECOGNIZED HERITAGE AREA AS SET FORTH IN THE ORIGINAL DESIGNATION OR AS PROPOSED FOR REVISION BY THE MANAGEMENT PLAN; AND
	(II) THE LAND USE RECOMMENDATIONS OF THE LOCAL PLANS OF ALL OF THE LOCAL JURISDICTIONS WITHIN THE RECOGNIZED HERITAGE AREA; AND

3	(III) THE ZONES WITHIN THE HERITAGE AREA RECOGNIZED HERITAGE AREA FOR PARTICULAR NATURE AND INTENSITY OF USE, INCLUDING ZONES MOST APPROPRIATELY DEVOTED TO PUBLIC USE AND DEVELOPMENT BY STATE OR LOCAL GOVERNMENT, AND FOR PRIVATE USE;
	(2) AN INVENTORY AND EVALUATION OF THE SIGNIFICANT NATURAL AND CULTURAL RESOURCES WITHIN THE HERITAGE AREA RECOGNIZED HERITAGE AREA;
	(3) AN IDENTIFICATION OF THE TYPES OF PUBLIC AND PRIVATE USES TO BE ACCOMMODATED ENCOURAGED WITHIN THE HERITAGE AREA RECOGNIZED HERITAGE AREA;
11 12	(4) AN IDENTIFICATION OF PROPERTIES, IF ANY, TO BE ACQUIRED, IN WHOLE OR IN PART;
	(5) A DESCRIPTION OF THE EDUCATIONAL, INTERPRETIVE, AND RECREATIONAL PROGRAMS AND PROJECTS TO BE UNDERTAKEN IN THE RECOGNIZED HERITAGE AREA;
	(6) A DESCRIPTION OF PLANS FOR ENCOURAGING AND ACCOMMODATING VISITATION TO AND COMPATIBLE ECONOMIC DEVELOPMENT OF THE HERITAGE AREA RECOGNIZED HERITAGE AREA;
	(7) AN ECONOMIC ASSESSMENT OF THE LONG AND SHORT TERM COSTS AND BENEFITS RELATED TO THE IMPLEMENTATION OF THE MANAGEMENT PLAN, INCLUDING AN IDENTIFICATION OF EXPECTED SOURCES OF FUNDING;
	(8) A DESCRIPTION OF THE TECHNIQUES OR MEANS FOR THE PRESERVATION AND PROTECTION OF THE NATURAL AND CULTURAL RESOURCES WITHIN THE HERITAGE AREA RECOGNIZED HERITAGE AREA, INCLUDING:
27 28	(I) APPROPRIATE <u>EXISTING OR PROPOSED</u> LOCAL LEGISLATION FOR THE DESIGNATION AND PROTECTION OF HISTORIC PROPERTIES OR NATURAL AREAS TO ASSURE THAT FUTURE LOCAL ACTIONS AND DEVELOPMENT WILL BE CONSISTENT WITH THE GOALS AND OBJECTIVES FOR THE <u>HERITAGE AREA</u> <u>RECOGNIZED HERITAGE AREA</u> ; AND
32 33	(II) AT A MINIMUM, ENACTMENT OF AN ORDINANCE IF THE PLAN PROPOSES THE ENACTMENT OF ONE OR MORE ORDINANCES TO PROVIDE FOR ONE OR MORE HISTORIC PRESERVATION COMMISSIONS FOR SPECIFIC SITES, STRUCTURES, OR DISTRICTS WITHIN THE RECOGNIZED HERITAGE AREA, PROVISIONS THAT:
	1. <u>ARE</u> CONSISTENT WITH ARTICLE 66B, §§ 8.01 THROUGH 8.17 OF THE CODE <del>, CREATES A HISTORIC PRESERVATION COMMISSION FOR THE HERITAGE AREA</del> ;
40	2. PROVIDES PROVIDE FOR MEMBERSHIP ON THE HISTORIC PRESERVATION COMMISSION IN ACCORDANCE WITH THE MINIMUM PROFESSIONAL REQUIREMENTS OF THE UNITED STATES DEPARTMENT OF THE INTERIOR FOR CERTIFYING LOCAL GOVERNMENTS UNDER 36 C.F.R. PART 61; AND

3 4	3. <u>PROVIDES PROVIDE</u> THAT THE HISTORIC PRESERVATION COMMISSION REVIEW AND APPROVE THE DESIGN OF ALL PROJECTS THAT THE LOCAL JURISDICTION CONDUCTS, ASSISTS, LICENSES, OR PERMITS THAT AFFECT <u>DESIGNATED HISTORIC</u> PROPERTIES WITHIN THE <u>HERITAGE AREA</u> <u>RECOGNIZED HERITAGE AREA</u> ;
8	(9) A DESCRIPTION OF THE ORGANIZATIONAL STRUCTURE TO BE UTILIZED FOR PLANNING, DEVELOPMENT, AND MANAGEMENT OF THE HERITAGE AREA, INCLUDING THE RESPONSIBILITIES AND INTERRELATIONSHIPS OF LOCAL AND STATE AGENCIES; AND
10 11	(10) A SCHEDULE FOR THE PLANNING, DEVELOPMENT, AND MANAGEMENT OF THE HERITAGE AREA RECOGNIZED HERITAGE AREA.
	(F) (H) EACH MANAGEMENT PLAN MUST DEMONSTRATE THAT THE CAPABILITY EXISTS AT THE LOCAL LEVEL TO IMPLEMENT AND MANAGE THE HERITAGE AREA RECOGNIZED HERITAGE AREA, INCLUDING THE CAPABILITY:
15	(1) TO ACCEPT AND DISBURSE FUNDS;
16	(2) TO ACQUIRE, IMPROVE, AND DISPOSE OF PROPERTY;
17 18	(3) TO MANAGE, OPERATE, AND MAINTAIN APPROPRIATE PUBLIC FACILITIES; AND
	(4) TO PROMULGATE ADOPT AND ENFORCE LAND USE AND PRESERVATION STANDARDS AS REQUIRED TO PROTECT THE RESOURCES WITHIN THE HERITAGE AREA.
24 25 26	(G) (I) IF THE AUTHORITY DETERMINES THAT A PREVIOUSLY SUBMITTED MANAGEMENT PLAN PROVIDES SUFFICIENT DATA INFORMATION IN A PREVIOUSLY SUBMITTED MANAGEMENT PLAN CONTAINS SUFFICIENT INFORMATION TO FULFILL THE PURPOSE OF THE MANAGEMENT PLAN, THE AUTHORITY MAY WAIVE IN WHOLE OR IN PART SELECTED INDIVIDUAL REQUIREMENTS REGARDING THE SUBMISSION OF THE MANAGEMENT PLAN.
	(H) (J) THE AUTHORITY SHALL APPROVE OR DISAPPROVE THE MANAGEMENT PLAN WITHIN 90 DAYS AFTER THE AUTHORITY RECEIVES A MANAGEMENT PLAN FROM A LOCAL JURISDICTION THE LOCAL JURISDICTIONS.
	$(\!\!\!\!+\!\!\!\!\!+\!\!\!\!\!+\!\!\!\!\!+\!\!\!\!\!+\!\!\!\!\!\!+\!\!\!\!$
36	(J) (L) IF THE AUTHORITY DISAPPROVES A MANAGEMENT PLAN, THE AUTHORITY SHALL ADVISE THE LOCAL JURISDICTION JURISDICTIONS IN WRITING OF THE REASON FOR THE DISAPPROVAL AND PROVIDE RECOMMENDATIONS FOR A REVISION OF THE PLAN.

38  $\frac{\text{(K)}}{\text{(M)}}$  THE AUTHORITY SHALL APPROVE OR DISAPPROVE ANY REVISIONS 39 TO AN EXISTING MANAGEMENT PLAN IN THE SAME MANNER AS SPECIFIED IN

40 SUBSECTIONS (H) THROUGH (J) (J) THROUGH (L) OF THIS SECTION.

17	
1	(L) (N) APPROVAL OF A MANAGEMENT PLAN BY THE AUTHORITY SHALL:
2	(1) ESTABLISH THE DESIGNATION OF A RECOGNIZED HERITAGE AREA AS A CERTIFIED HERITAGE AREA;
	(+) (2) ESTABLISH ELIGIBILITY FOR THE RECEIPT OF ACQUISITION, DEVELOPMENT, AND PROGRAMMING ASSISTANCE FROM THE STATE WITHIN THE DEFINED CERTIFIED HERITAGE AREA BOUNDARIES;
	(2) (3) ESTABLISH ELIGIBILITY FOR QUALIFYING PROPERTIES AND PERSONS FOR CERTAIN TAX INCENTIVES FOR ACTIVITIES WITHIN THE DEFINED HERITAGE AREA BOUNDARIES; AND
	(3) FOR CONTINUANCE IN THE PROGRAM, REQUIRE APPROPRIATE LOCAL ACTION TO PROTECT AND SAFEGUARD THE DEFINED SIGNIFICANT RESOURCES IN THE HERITAGE AREA.
	(4) FOR CONTINUANCE OF THE CERTIFIED HERITAGE AREA, REQUIRE APPROPRIATE LOCAL ACTION TO PROTECT AND SAFEGUARD THE SIGNIFICANT RESOURCES IN THE CERTIFIED HERITAGE AREA.
	(O) THE CANAL PLACE HISTORIC PRESERVATION DISTRICT ESTABLISHED UNDER SUBTITLE 10 OF THIS TITLE IS THE INITIAL CERTIFIED HERITAGE AREA DESIGNATED UNDER THIS SUBTITLE.
21 22	(M) (P) AFTER HOLDING A PUBLIC HEARING IN THE STATE DESIGNATED CERTIFIED HERITAGE AREA THAT IS THE SUBJECT OF THE AUTHORITY'S REVIEW, THE AUTHORITY MAY WITHDRAW ITS APPROVAL OF A MANAGEMENT PLAN IF THE AUTHORITY FINDS THAT THE LOCAL JURISDICTION JURISDICTIONS RESPONSIBLE FOR THE CERTIFIED HERITAGE AREA:
24 25	(1) HAS TAKEN ACTIONS WHICH HAVE HAD A SIGNIFICANT ADVERSE IMPACT UPON SIGNIFICANT <u>CERTIFIED</u> HERITAGE AREA RESOURCES; OR
26 27	(2) HAS FAILED TO IMPLEMENT ITS ROLE UNDER A MANAGEMENT PLAN.
28 29	$\frac{(N)}{(O)}$ IF THE AUTHORITY WITHDRAWS ITS APPROVAL OF A MANAGEMENT PLAN:
30 31	(1) THE HERITAGE AREA SHALL NO LONGER BE <del>DEEMED TO BE</del> <u>DESIGNATED AS</u> A <del>STATE DESIGNATED</del> <u>CERTIFIED</u> HERITAGE AREA; AND
	(2) THE AUTHORITY SHALL REPORT ITS WITHDRAWAL OF APPROVAL TO THE GOVERNOR AND THE GENERAL ASSEMBLY STATING THE REASONS FOR THE ACTION OF THE AUTHORITY.
35	<del>13 1114.</del> <u>13-112.</u>
36 37	(A) (1) THE STATE OFFICIALS SPECIFIED IN UNDER ITEMS (I) THROUGH (VI) OF THIS SUBSECTION WITH WHO HAVE PROGRAM RESPONSIBILITIES AFFECTING

38 THAT AFFECT ASPECTS OF THE INTERPRETATION, PRESERVATION, DEVELOPMENT,

39 AND USE OF HERITAGE AREA RESOURCES SHALL PREPARE A PROGRAM

- 1 STATEMENT DETAILING ACTIONS IN THE AREAS OF PLANNING, DEVELOPMENT, USE,
- 2 ASSISTANCE, AND REGULATION THAT SUPPORT AND ASSIST THE ESTABLISHMENT
- 3 AND MANAGEMENT OF STATE DESIGNATED CERTIFIED HERITAGE AREAS, AS
- 4 FOLLOWS:
- 5 (I) SECRETARY OF HOUSING AND COMMUNITY DEVELOPMENT
- 6 REGARDING HOUSING, NEIGHBORHOOD REVITALIZATION, HISTORIC
- 7 PRESERVATION, AND MUSEUM PROGRAMS;
- 8 (II) SECRETARY OF BUSINESS AND ECONOMIC DEVELOPMENT
- 9 REGARDING THE STATE TOURISM PROGRAM AND ECONOMIC DEVELOPMENT AND
- 10 JOB CREATION ACTIVITIES;
- 11 (III) SECRETARY OF NATURAL RESOURCES REGARDING OUTDOOR
- 12 RECREATION AND THE MANAGEMENT OF NATURAL RESOURCES, INCLUDING STATE
- 13 GREENWAYS;
- 14 (IV) SECRETARY OF HIGHER EDUCATION REGARDING
- 15 EDUCATIONAL RESOURCES AND THEIR INTERPRETATION;
- 16 (V) SECRETARY OF TRANSPORTATION REGARDING ACCESS TO
- 17 AND TRANSPORTATION WITHIN STATE DESIGNATED CERTIFIED HERITAGE AREAS,
- 18 INCLUDING THE SCENIC BYWAYS PROGRAM AND PROGRAMS FOR SPECIAL
- 19 SIGNAGE; AND
- 20 (VI) SECRETARY OF GENERAL SERVICES REGARDING THE
- 21 MANAGEMENT AND DISPOSITION OF STATE PROPERTY.
- 22 (2) THE STATE OFFICIALS SHALL SUBMIT THE PROGRAM STATEMENTS
- 23 REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION, AND ANY REVISIONS OF
- 24 THE STATEMENTS, TO THE AUTHORITY.
- 25 (B) ANY UNIT OF THE STATE GOVERNMENT THAT CONDUCTS OR SUPPORTS
- 26 ACTIVITIES AFFECTING A STATE DESIGNATED HERITAGE AREA SHALL:
- 27 (1) CONSULT, COOPERATE AND, TO THE MAXIMUM EXTENT FEASIBLE,
- 28 COORDINATE ITS ACTIVITIES WITH THE AGENCY OR ENTITY RESPONSIBLE FOR THE
- 29 MANAGEMENT OF THE STATE DESIGNATED HERITAGE AREA: AND
- 30 (2) CONDUCT OR SUPPORT THE ACTIVITIES OF THE UNIT IN A MANNER
- 31 THAT:
- 32 <del>(I) TO THE MAXIMUM EXTENT PRACTICABLE, IS CONSISTENT</del>
- 33 WITH THE APPROVED MANAGEMENT PLAN FOR THE STATE DESIGNATED HERITAGE
- 34 AREA: AND
- 35 (II) AS DETERMINED UNDER §§ 5 617 AND 5 618 OF ARTICLE 83BOF
- 36 THE CODE, DOES NOT HAVE AN ADVERSE EFFECT ON THE HISTORIC AND CULTURAL
- 37 RESOURCES OF THE STATE DESIGNATED HERITAGE AREA.
- 38 (C) A UNIT OF THE STATE GOVERNMENT MAY NOT ISSUE A LICENSE OR
- 39 PERMIT TO ANY PERSON TO CONDUCT ANY ACTIVITY WITHIN THE STATE

_	DESIGNATED HERITAGE AREA UNLESS THE UNIT DETERMINES THAT THE PROPOSED ACTIVITY:
	(1) WILL BE CONDUCTED IN A MANNER THAT IS CONSISTENT WITH THE APPROVED MANAGEMENT PLAN FOR THE STATE DESIGNATED HERITAGE AREA; AND
	(2) AS DETERMINED UNDER §§ 5-617 AND 5-618 OF ARTICLE 83B OF THE CODE, DOES NOT HAVE AN ADVERSE EFFECT ON THE HISTORIC OR CULTURAL RESOURCES OF THE STATE DESIGNATED HERITAGE AREA.
9	<del>13-1115.</del>
12	(A) AS PROVIDED IN THE STATE BUDGET, THE AUTHORITY MAY AWARD GRANTS OR LOANS TO LOCAL JURISDICTIONS OR OTHER APPROPRIATE ENTITIES FOR PLANNING, DESIGN, ACQUISITION, DEVELOPMENT, AND PROGRAMMING OF STATE DESIGNATED HERITAGE AREAS.
	(B) (1) THE AUTHORITY MAY MAKE A PLANNING GRANT TO LOCAL JURISDICTIONS OR OTHER APPROPRIATE ENTITIES WITHIN STATE DESIGNATED HERITAGE AREAS.
17	(2) A PLANNING GRANT:
18 19	(I) MUST BE FOR THE PURPOSE OF ASSISTING LOCALITIES TO PREPARE MANAGEMENT PLANS; AND
20 21	(II) MAY COVER UP TO 50 PERCENT OF THE MANAGEMENT PLAN COST.
24	(C) (1) THE AUTHORITY MAY MAKE ACQUISITION AND DEVELOPMENT GRANTS TO LOCAL JURISDICTIONS OR OTHER APPROPRIATE ENTITIES AFTER THE AUTHORITY APPROVES A MANAGEMENT PLAN FOR THE STATE DESIGNATED HERITAGE AREA FOR WHICH THE GRANT WILL BE USED.
26	(2) AN ACQUISITION AND DEVELOPMENT GRANT:
	(I) SHALL BE FOR THE PURPOSE OF IMPLEMENTING THE STATE DESIGNATED HERITAGE AREA PROGRAM IN CONFORMANCE WITH THE APPROVED MANAGEMENT PLAN; AND
30 31	(II) MAY NOT EXCEED 50% OF THE TOTAL PROJECT COST FOR WHICH THE GRANT IS AWARDED.
32 33	(B) UNITS OF STATE GOVERNMENT THAT CONDUCT OR SUPPORT ACTIVITIES AFFECTING A CERTIFIED HERITAGE AREA SHALL:
	(1) CONSULT, COOPERATE, AND TO THE MAXIMUM EXTENT FEASIBLE, COORDINATE THEIR ACTIVITIES WITH THE UNIT OR ENTITY RESPONSIBLE FOR THE MANAGEMENT OF EACH CERTIFIED HERITAGE AREA;
37 38	(2) TO THE MAXIMUM EXTENT PRACTICABLE, CARRY OUT THE ACTIVITIES OF THE UNIT IN A MANNER THAT IS CONSISTENT WITH THE APPROVED

39 MANAGEMENT PLAN FOR THE CERTIFIED HERITAGE AREA; AND

1	(3) WHEN CONDUCTING A REVIEW OF ACTIVITIES UNDER ARTICLE 83B
2.	§§ 5-617 AND 5-618 OF THE CODE, ASSURE THAT THE ACTIVITIES WILL NOT HAVE AN
	ADVERSE EFFECT ON THE HISTORIC AND CULTURAL RESOURCES OF THE
	CERTIFIED HERITAGE AREA, UNLESS THERE IS NO PRUDENT AND FEASIBLE
5	ALTERNATIVE.
6	<u>13-1113.</u>
7	(A) AS PROVIDED IN THE STATE BUDGET, THE AUTHORITY MAY AWARD:
	· · · · · · · · · · · · · · · · · · ·
8	(1) GRANTS AND LOANS TO LOCAL JURISDICTIONS OR OTHER
	APPROPRIATE ENTITIES FOR PLANNING, DESIGN, ACQUISITION, DEVELOPMENT,
	•
	PRESERVATION, RESTORATION, INTERPRETATION, MARKETING, AND
11	PROGRAMMING OF CERTIFIED HERITAGE AREAS; AND
12	(2) GRANTS TO LOCAL JURISDICTIONS OR OTHER APPROPRIATE
13	ENTITIES TO DEVELOP MANAGEMENT PLANS IN RECOGNIZED HERITAGE AREAS.
14	(B) A GRANT TO DEVELOP A MANAGEMENT PLAN MAY NOT EXCEED 50% OF
	THE COST OF THE MANAGEMENT PLAN.
13	THE COST OF THE WINDOWNERVE FEMALY.
16	(C) (1) EVCEDT AS DROVIDED IN DADACDADII (2) OF THIS SUBSECTION THE
16	
	AUTHORITY MAY MAKE ACQUISITION AND DEVELOPMENT GRANTS TO A LOCAL
	JURISDICTION OR OTHER APPROPRIATE ENTITY UNDER SUBSECTION (A) OF THIS
19	SECTION FOR A PERIOD OF UP TO 5 YEARS AFTER THE DAY ON WHICH THE
20	AUTHORITY APPROVES THE MANAGEMENT PLAN FOR THE CERTIFIED HERITAGE
21	AREA WITHIN THE LOCAL JURISDICTION.
22	(2) THE AUTHORITY MAY MAKE ACQUISITION OR DEVELOPMENT
23	GRANTS FOR A PROJECT AFTER THE 5-YEAR PERIOD IF THE AUTHORITY
	DETERMINES THAT THE PROJECT IS ESSENTIAL FOR THE SUCCESS OF THE
	MANAGEMENT PLAN FOR THE CERTIFIED HERITAGE AREA.
23	MANAGEMENT LEANTOR THE CERTIFIED HERITAGE AREA.
26	(2) AN ACQUIGITION OF DEVEL ORMENTS OF ANIT
26	(3) AN ACQUISITION OR DEVELOPMENT GRANT:
27	(I) MAY NOT BE USED FOR ANY PURPOSE OTHER THAN
	IMPLEMENTATION OF THE CERTIFIED HERITAGE AREA IN CONFORMITY WITH THE
29	APPROVED MANAGEMENT PLAN; AND
30	(II) MAY NOT EXCEED 50% OF THE TOTAL PROJECT COST FOR
31	WHICH THE GRANT IS AWARDED.
32	(D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE AUTHORITY
	MAY MAKE PROGRAM GRANTS TO LOCAL JURISDICTIONS AND OTHER
34	APPROPRIATE ENTITIES:
35	(I) TO DEVELOP AND PRESENT INTERPRETIVE EXHIBITS,
36	MATERIALS OR OTHER APPROPRIATE PRODUCTS TO FURTHER THE EDUCATIONAL
37	AND RECREATIONAL OBJECTIVES OF THE STATE DESIGNATED CERTIFIED
38	HERITAGE AREAS PROGRAM; AND
39	(II) TO ENCOLIRAGE REVITALIZATION OF AND REINVESTMENT I

40 STATE DESIGNATED CERTIFIED HERITAGE AREA RESOURCES.

	(2) A PROGRAM GRANT MADE BY THE AUTHORITY UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY NOT EXCEED 50% OF THE ESTIMATED PROJECT COST.
6	(E) THROUGH THE RESOURCES OF THE MEMBERS OF THE AUTHORITY AND IN COOPERATION WITH OTHER STATE AGENCIES, THE AUTHORITY SHALL PROVIDE TECHNICAL ASSISTANCE TO MANAGEMENT ENTITIES IMPLEMENTING A MANAGEMENT PLAN.
8	<del>13-1116.</del> <u>13-1114.</u>
9	(A) THERE IS A MARYLAND HERITAGE AREAS AUTHORITY FINANCING FUND.
	(B) (1) THE AUTHORITY SHALL USE THE FUND AS A CONTINUING, NONLAPSING, REVOLVING FUND FOR CARRYING OUT THE PURPOSES OF THIS SUBTITLE.
13 14	(2) NO PART OF THE FUND MAY REVERT OR BE CREDITED TO THE GENERAL FUND OR TO ANY OTHER SPECIAL FUND OF THE STATE.
15 16	(C) THE AUTHORITY SHALL PLACE ALL OF THE FOLLOWING RECEIPTS IN THE FUND:
17	(1) PROCEEDS FROM THE SALE OF BONDS;
18 19	(2) REVENUES THAT THE AUTHORITY COLLECTS OR RECEIVES FROM ANY SOURCE UNDER THIS SUBTITLE; AND
20 21	(3) ANY ADDITIONAL REVENUE, GIFT, DONATION, OR MONEYS RECEIVED OR PAID TO IT FROM ANY OTHER SOURCE AUTHORIZED BY LAW.
22 23	(D) THE AUTHORITY SHALL PAY ALL EXPENSES AND MAKE ALL EXPENDITURES FROM THE FUND.
24 25	(E) (1) THE AUTHORITY MAY PLEDGE AND CHARGE ALL OR A PORTION OF THE RECEIPTS OF THE FUND FOR THE PAYMENT OF:
26	(I) DEBT SERVICE ON BONDS OF THE AUTHORITY; AND
	(II) ALL REASONABLE CHARGES AND EXPENSES RELATED TO BORROWING BY THE AUTHORITY AND MANAGEMENT OF THE OBLIGATIONS OF THE AUTHORITY.
	(2) A PLEDGE MADE UNDER PARAGRAPH (1) OF THIS SUBSECTION IS EFFECTIVE AS PROVIDED IN $\S$ 13-1121 13-1119 OF THIS SUBTITLE AND ANY APPLICABLE RESOLUTION OF THE AUTHORITY.
33	(F) THE STATE TREASURER SHALL:
34 35	(1) INVEST AND REINVEST THE FUND IN THE SAME MANNER AS STATE FUNDS; AND
36 37	(2) TRANSFER ANY INVESTMENT EARNINGS TO THE CREDIT OF THE FUND.

22
1 PART IV. BONDS.
2 <del>13-1117.</del> <u>13-1115.</u>
3 (A) (1) SUBJECT TO THIS PART AND SUBJECT TO PRIOR APPROVAL BY THE 4 BOARD OF PUBLIC WORKS, THE AUTHORITY MAY AT ANY TIME AND FROM TIME TO 5 TIME ISSUE BONDS FOR ANY CORPORATE PURPOSE, INCLUDING THE 6 ESTABLISHMENT OF RESERVES AND THE PAYMENT OF INTEREST. THE PURPOSES OF 7 THIS SUBTITLE TO OBTAIN FUNDS TO PROVIDE FINANCIAL ASSISTANCE FOR OR 8 OTHERWISE SUPPORT A CERTIFIED HERITAGE AREA.
9 (2) THE AUTHORITY MAY ISSUE THE BONDS ONLY IF IT DETERMINES 10 THAT THE ISSUANCE IS NECESSARY TO ACHIEVE THE PURPOSES OF THIS SUBTITLE
11 (B) IN SUBMITTING A PROPOSAL TO ISSUE BONDS TO THE BOARD OF PUBLIC WORKS, THE AUTHORITY SHALL IDENTIFY THE SOURCE OF REVENUE THAT SUPPORTS THE DEBT SERVICE ON THE BONDS.
14 (B) (C) THE AUTHORITY:
15 (1) SHALL BY RESOLUTION AUTHORIZE ANY BONDS THAT IT ISSUES; 16 AND
17 (2) MAY SECURE THE BONDS BY A TRUST AGREEMENT BETWEEN THE 18 AUTHORITY AND A CORPORATE TRUSTEE OR TRUSTEES, WHICH MAY BE ANY 19 TRUST COMPANY OR BANK THAT HAS THE POWERS OF A TRUST COMPANY WITHIN 20 OR WITHOUT THE STATE.
21 (C) THE AUTHORITY SHALL NOTIFY THE BOARD OF PUBLIC WORKS OF ITS 22 INTENTION TO ISSUE BONDS UP TO A STATED AMOUNT.
23 (D) EXCEPT AS OTHERWISE EXPRESSLY REQUIRED BY THIS SUBTITLE, THE 24 AUTHORITY MAY ISSUE THE BONDS OR NOTES WITHOUT:
25 (1) OBTAINING THE CONSENT OF ANY OTHER UNIT OF STATE 26 GOVERNMENT;
27 (2) ANY PROCEEDINGS; OR
28 (3) THE OCCURRENCE OF ANY CONDITIONS.
29 <del>13-1118.</del> <u>13-1116.</u>
30 (A) THE BONDS OF ANY ISSUE SHALL BE PAYABLE SOLELY FROM THE 31 PROPERTY OR RECEIPTS OF THE AUTHORITY, INCLUDING WITHOUT LIMITATION:
32 (1) FEES, CHARGES, OR OTHER REVENUES PAYABLE TO THE 33 AUTHORITY;
34 (2) PAYMENTS BY FINANCIAL INSTITUTIONS, INSURANCE COMPANIES 35 OR OTHERS PURSUANT TO LETTERS OR LINES OF CREDIT, POLICIES OF INSURANCE

37 (3) INVESTMENT EARNINGS FROM FUNDS OR ACCOUNTS MAINTAINED 38 PURSUANT TO UNDER A BOND RESOLUTION OR TRUST AGREEMENT;

36 OR PURCHASE AGREEMENTS;

23	
1	(4) PROCEEDS OF REFUNDING BONDS; AND
2	(5) ANY OTHER SOURCE AUTHORIZED BY LAW.
	(B) THE BONDS DO NOT CONSTITUTE A DEBT, LIABILITY, OR PLEDGE OF FULL FAITH AND CREDIT OF THE STATE AND MAY NOT BE DEEMED TO CONSTITUTE A DEBT, LIABILITY, OR PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE.
6	<del>13-1119.</del> <u>13-1117.</u>
7	THE BONDS THAT THE AUTHORITY ISSUES SHALL:
10	(1) BE ISSUED AT, ABOVE, OR BELOW PAR VALUE, FOR CASH OR OTHER VALUABLE CONSIDERATION, AND MATURE AT A TIME OR TIMES, WHETHER AS SERIAL BONDS OR AS TERM BONDS OR BOTH, NOT EXCEEDING THE MATURITY DATE ESTABLISHED BY THE AUTHORITY;
	(2) BEAR INTEREST AT THE FIXED OR VARIABLE RATE OR RATES DETERMINED BY THE METHOD PROVIDED IN THE RESOLUTION OR TRUST AGREEMENT;
17 18 19	(3) BE PAYABLE AT A TIME OR TIMES, IN THE DENOMINATIONS AND FORM, EITHER COUPON OR REGISTERED OR BOTH, <u>REGISTRABLE AS TO PRINCIPAL AND INTEREST ALONE OR AS TO BOTH</u> AND CARRY THE REGISTRATION AND PRIVILEGES AS TO CONVERSION AND FOR THE REPLACEMENT OF MUTILATED, LOST, OR DESTROYED BONDS AS THE RESOLUTION OR TRUST AGREEMENT MAY PROVIDE;
23 24	(4) NOTWITHSTANDING ANY OTHER LAW, BE DEEMED A "SECURITY" WITHIN THE MEANING OF § 8-102 OF THE COMMERCIAL LAW ARTICLE, WHETHER OR NOT IT IS EITHER ONE OF A CLASS OR A SERIES OR BY ITS TERMS IS DIVISIBLE INTO A CLASS OR SERIES OF INSTRUMENTS AND NEGOTIABLE FOR ALL PURPOSES ALTHOUGH PAYABLE FROM A LIMITED SOURCE;
26 27	(5) BE PAYABLE IN LAWFUL MONEY OF THE UNITED STATES AT A DESIGNATED PLACE, INCLUDING ONE OR MORE BANKS OR TRUST COMPANIES;
	$(6) \ BE \ SUBJECT \ TO \ THE \ TERMS \ OF \ PURCHASE, \ PAYMENT, \ REDEMPTION, \\ REFUNDING, \ OR \ REFINANCING \ THAT \ THE \ RESOLUTION \ OR \ TRUST \ AGREEMENT \\ PROVIDES;$
33	(7) BE EXECUTED BY THE MANUAL OR FACSIMILE SIGNATURES OF THE OFFICERS OF THE AUTHORITY DESIGNATED BY THE AUTHORITY, WHICH SIGNATURES SHALL BE VALID <u>FOR ALL PURPOSES</u> AT DELIVERY EVEN FOR AN OFFICER WHO HAS CEASED TO HOLD OFFICE; AND
35 36	(8) BE SOLD IN THE MANNER AND ON THE TERMS DETERMINED BY THE AUTHORITY, INCLUDING PRIVATE (NEGOTIATED) SALE AND BE EXEMPT FROM §§

 $\,$  37  $\,$  8-206, 8-208, AND 8-209 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

#### 1 <del>13-1120.</del> 13-1118.

- 2 (A) ANY RESOLUTION OR TRUST AGREEMENT THE AUTHORITY ADOPTS OR
- 3 ENTERS INTO UNDER § 13-1117 13-1115 OF THIS SUBTITLE MAY CONTAIN PROVISIONS
- 4 THAT:
- 5 (1) PLEDGE, ASSIGN, OR DIRECT THE USE, INVESTMENT, OR
- 6 DISPOSITION OF ALL OR A PORTION OF THE RECEIPTS OF THE AUTHORITY OR ALL
- 7 OR A PORTION OF THE PROCEEDS OR BENEFITS OF ANY CONTRACT AND CONVEY
- 8 OR OTHERWISE SECURE ANY PROPERTY OR PROPERTY RIGHTS;
- 9 (2) SET ASIDE LOAN FUNDING DEPOSITS, DEBT SERVICE RESERVES,
- 10 CAPITALIZED INTEREST ACCOUNTS, COST OF ISSUANCE ACCOUNTS, AND SINKING
- 11 FUNDS, AND REGULATE, INVEST, AND DISPOSE OF THESE DEPOSITS, RESERVES,
- 12 ACCOUNTS, AND FUNDS;
- 13 (3) LIMIT THE PURPOSE TO WHICH OR THE INVESTMENTS IN WHICH
- 14 THE PROCEEDS OF SALE OF ANY ISSUE OF BONDS MAY BE APPLIED AND RESTRICT
- 15 THE INVESTMENT OF REVENUES OR BOND PROCEEDS AS DEEMED NECESSARY,
- 16 WHICH MAY INCLUDE LIMITING INVESTMENTS TO GOVERNMENT OBLIGATIONS FOR
- 17 WHICH PRINCIPAL AND INTEREST ARE UNCONDITIONALLY GUARANTEED BY THE
- 18 UNITED STATES:
- 19 (4) LIMIT THE ISSUANCE OF ADDITIONAL BONDS AND SPECIFY THE
- 20 TERMS ON WHICH ADDITIONAL BONDS MAY BE ISSUED, SECURED, AND RANK ON
- 21 PARITY WITH, OR BE SUBORDINATE OR SUPERIOR TO OTHER BONDS;
- 22 (5) REFUND OR REFINANCE OUTSTANDING BONDS;
- 23 (6) ESTABLISH ANY PROCEDURE CONCERNING THE MANNER IN WHICH
- 24 THE TERMS OF ANY CONTRACT WITH BONDHOLDERS MAY BE ALTERED OR
- 25 AMENDED, THE AMOUNT OF BONDS TO WHICH THE HOLDERS MUST CONSENT, AND
- 26 THE MANNER IN WHICH THE HOLDERS MUST CONSENT;
- 27 (7) DEFINE THE ACTS OR OMISSIONS THAT CONSTITUTE A DEFAULT IN
- 28 THE DUTIES OF THE AUTHORITY TO HOLDERS OF BONDS AND PROVIDE THE RIGHTS
- 29 AND REMEDIES OF THE HOLDERS IN THE EVENT OF A DEFAULT, WHICH MAY
- 30 INCLUDE PROVISIONS THAT RESTRICT INDIVIDUAL RIGHT OF ACTION BY
- 31 BONDHOLDERS;
- 32 (8) PROVIDE FOR GUARANTEES, PLEDGES OF PROPERTY, LETTERS OF
- 33 CREDIT, OR OTHER SECURITY, OR INSURANCE FOR THE BENEFIT OF
- 34 BONDHOLDERS; AND
- 35 (9) PROVIDE FOR ANY OTHER MATTER RELATING TO THE BONDS THAT
- 36 THE AUTHORITY DEEMS APPROPRIATE.
- 37 (B) ANY PROVISIONS UNDER SUBSECTION (A) OF THIS SECTION THAT THE
- 38 AUTHORITY INCLUDES IN A RESOLUTION OR TRUST AGREEMENT SHALL BE MAY BE
- 39 MADE PART OF THE CONTRACT WITH THE HOLDERS OF THE BONDS.

#### 1 <del>13-1121.</del> 13-1119.

- 2 (A) A PLEDGE BY THE AUTHORITY OF REVENUES AS SECURITY FOR AN ISSUE
- 3 OF BONDS SHALL BE VALID AND BINDING ON AND AFTER THE DATE WHEN THE
- 4 DOCUMENTS EVIDENCING THE PLEDGE ARE EXECUTED BY THE AUTHORITY.
- 5 (B) (1) THE REVENUES THAT THE AUTHORITY PLEDGES ARE MAY BE MADE
- 6 IMMEDIATELY SUBJECT TO THE LIEN OF THE PLEDGE WITHOUT ANY PHYSICAL
- 7 DELIVERY OR FURTHER ACT.
- 8 (2) THE LIEN OF ANY PLEDGE OF REVENUE IS VALID AND BINDING
- 9 AGAINST ANY PERSON WHO HAS ANY CLAIM IN TORT, CONTRACT, OR OTHERWISE
- 10 AGAINST THE AUTHORITY, WHETHER OR NOT THE PERSON HAS NOTICE.
- 11 (C) IN ORDER TO PERFECT THE LIEN ON THE REVENUE PLEDGED BY THE
- 12 AUTHORITY AGAINST THIRD PERSONS, A RESOLUTION, TRUST AGREEMENT OR
- 13 FINANCING STATEMENT, CONTINUATION STATEMENT, OR OTHER INSTRUMENT
- 14 THAT THE AUTHORITY ADOPTS OR ENTERS INTO NEED NOT BE FILED OR
- 15 RECORDED IN ANY PUBLIC RECORD OTHER THAN THE RECORDS OF THE
- 16 AUTHORITY.

### 17 <del>13-1122.</del> <u>13-1120.</u>

- 18 (A) NO MEMBER OF THE AUTHORITY NOR ANY PERSON EXECUTING THE
- 19 BONDS OF THE AUTHORITY SHALL BE LIABLE PERSONALLY ON THE BONDS OR
- 20 SUBJECT TO ANY PERSONAL LIABILITY BY REASON OF THE ISSUANCE OF THE
- 21 BONDS.
- 22 (B) EXCEPT AS OTHERWISE PROVIDED BY AN APPLICABLE RESOLUTION OR
- 23 TRUST AGREEMENT, A HOLDER OF BONDS ISSUED UNDER THIS SUBTITLE, OR A
- 24 TRUSTEE ACTING UNDER A TRUST AGREEMENT ENTERED INTO UNDER THIS
- 25 SUBTITLE, MAY, BY ANY SUITABLE FORM OF LEGAL PROCEEDINGS, PROTECT AND
- 26 ENFORCE ANY RIGHTS GRANTED UNDER THE LAWS OF THIS STATE OR BY ANY
- 27 APPLICABLE RESOLUTION OR TRUST AGREEMENT.

### 28 <del>13-1123.</del> 13-1121.

- 29 (A) THE AUTHORITY MAY ISSUE BONDS TO REFUND ANY OF ITS BONDS THEN
- 30 OUTSTANDING, INCLUDING THE PAYMENT OF ANY REDEMPTION PREMIUM AND
- 31 ANY INTEREST ACCRUED OR TO ACCRUE TO THE EARLIEST OR ANY SUBSEQUENT
- 32 DATE OF REDEMPTION, PURCHASE, OR MATURITY OF THE BONDS.
- 33 (B) REFUNDING BONDS MAY BE ISSUED IN THE DISCRETION OF THE
- 34 <u>AUTHORITY AND FOR ANY PURPOSE AUTHORIZED BY THIS SUBTITLE, INCLUDING:</u>
- 35 (1) (I) FOR THE PUBLIC PURPOSES OF REALIZING SAVINGS IN THE
- 36 EFFECTIVE COSTS OF DEBT SERVICE, DIRECTLY OR THROUGH A DEBT
- 37 RESTRUCTURING; OR

1 (III) FOR ANY OTHER PUBLIC PURPOSE THAT THE AUTHORITY 2 DETERMINES IS IN THE BEST INTERESTS OF AND CONSISTENT WITH THE 3 AUTHORITY'S LONG TERM ENANGING BLAN
3 <u>AUTHORITY'S LONG-TERM FINANCING PLAN.</u>
4 (2) IN ONE OR MORE SERIES <u>: AND</u>
5 (3) IN AN AMOUNT IN EXCESS OF THAT OF THE BONDS TO BE 6 REFUNDED.
7 <del>13 1124.</del> <u>13-1122.</u>
8 (A) THE AUTHORITY MAY ENTER INTO AGREEMENTS WITH AGENTS, BANKS 9 INSURERS, OR OTHERS FOR THE PURPOSE OF ENHANCING THE MARKETABILITY OF 10 OR AS A SECURITY FOR, ITS BONDS.
11 (B) ANY FINANCIAL INSTITUTION, INVESTMENT COMPANY, INSURANCE 12 COMPANY OR ASSOCIATION, AND ANY PERSONAL REPRESENTATIVE, GUARDIAN, 13 TRUSTEE, OR OTHER FIDUCIARY, AND ANY OTHER PUBLIC OFFICER OR UNIT OF 14 THE STATE OR A SUBDIVISION OF THE STATE MAY LEGALLY INVEST ANY MONEYS 15 BELONGING TO THEM OR WITHIN THEIR CONTROL IN ANY BONDS ISSUED BY THE 16 AUTHORITY.
17 <del>13 1125.</del> <u>13-1123.</u>
THE BONDS OF THE AUTHORITY, THEIR TRANSFER, THE INTEREST PAYABLE ON THEM, AND ANY INCOME DERIVED FROM THEM, INCLUDING ANY PROFIT REALIZED IN THEIR SALE OR EXCHANGE, ARE EXEMPT AT ALL TIMES FROM EVERY KIND OF TAXATION BY THIS STATE OR BY ANY OF ITS POLITICAL SUBDIVISIONS, MUNICIPAL CORPORATIONS, OR PUBLIC AGENCIES.
23 <u>PART V. MISCELLANEOUS.</u>
24 <u>13-1124.</u>
25 (A) IN THIS SECTION, "AGGRIEVED PERSON" MEANS:
26 <u>(1) A PERSON THAT:</u>
27 (I) IS A PARTY TO A DISPUTE THAT THE AUTHORITY RESOLVES 28 UNDER § 13-1108(4)(II) OF THIS SUBTITLE; AND
29 (II) IS AGGRIEVED BY THE AUTHORITY'S FINAL ACTION IN 30 RESOLVING THE DISPUTE UNDER § 13-1108(4)(II) OF THIS SUBTITLE; OR
31 (2) THE LOCAL JURISDICTIONS WITHIN A CERTIFIED HERITAGE AREA 32 FROM WHICH THE AUTHORITY HAS WITHDRAWN APPROVAL OF A MANAGEMENT 33 PLAN UNDER § 13-1111(P) OF THIS SUBTITLE.
34 (B) THIS SECTION DOES NOT APPLY TO:
35 (1) THE FAILURE OF THE AUTHORITY TO DESIGNATE:
36 <u>(I) A HERITAGE AREA AS A RECOGNIZED HERITAGE AREA; OR</u>

36 indicated.

1 2	(II) A RECOGNIZED HERITAGE AREA AS A CERTIFIED HERITAGE AREA THROUGH THE APPROVAL OF A MANAGEMENT PLAN;
3	(2) ACTIONS TAKEN BY THE AUTHORITY UNDER ITS POWERS TO ISSUE BONDS UNDER PART IV OF THIS SUBTITLE;
5 6	(3) THE FAILURE OF THE AUTHORITY TO AWARD OR ENFORCE THE TERMS OF GRANTS, LOANS, OR OTHER FINANCING.
	(C) AN AGGRIEVED PERSON MAY APPEAL TO THE OFFICE OF ADMINISTRATIVE HEARINGS FOR A HEARING IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.
10 11	(D) THE DECISION OF THE OFFICE OF ADMINISTRATIVE HEARINGS IS THE FINAL ADMINISTRATIVE DECISION.
	(E) THE OFFICE OF ADMINISTRATIVE HEARINGS MAY NOT MODIFY THE AUTHORITY'S RESOLUTION OF A DISPUTE UNLESS THE AGGRIEVED PERSON SHOWS BY A PREPONDERANCE OF THE EVIDENCE THAT:
15 16	(1) THE FINAL ACTION OF THE AUTHORITY WAS ARBITRARY OR CAPRICIOUS; OR
17 18	(2) THE AUTHORITY FAILED TO FOLLOW ITS OWN PROCEDURES OR REGULATIONS FOR RESOLVING A DISPUTE UNDER § 13-1108(4) OF THIS SUBTITLE.
19	Article 48A - Insurance Code
20	634A.
22 23	A PERSON SUBJECT TO THE TAX IMPOSED UNDER THIS SUBTITLE MAY CLAIM A CREDIT AGAINST THE TAX FOR A CERTIFIED REHABILITATION AS PROVIDED UNDER § 10 704.4 OF THE TAX GENERAL ARTICLE ARTICLE 83B, § 5-801 OF THE CODE.
25	Article - Tax - General
26	8-208.1.
	A FINANCIAL INSTITUTION MAY CLAIM A CREDIT AGAINST THE FINANCIAL INSTITUTION FRANCHISE TAX FOR A CERTIFIED REHABILITATION AS PROVIDED UNDER <u>§ 10-704.4 OF THIS ARTICLE</u> ARTICLE 83B, § 5-801 OF THE CODE.
30	8-406.1.
	A PUBLIC SERVICE COMPANY MAY CLAIM A CREDIT AGAINST THE PUBLIC SERVICE COMPANY FRANCHISE TAX FOR A CERTIFIED REHABILITATION AS
	PROVIDED UNDER <u>\$ 10-704.4 OF THIS ARTICLE</u> <u>ARTICLE 83B</u> , <u>\$ 5-801 OF THE CODE</u> .
34	

3	(ii) "Amortizable basis" means the part of the basis attributable to amounts spent for the rehabilitation of a certified nondepreciable historic structure that is consistent with the historic character of the property or district under the regulations of the Comptroller.
5 6	(iii) "Certified local government" means a political subdivision in the State that:
	1. participates in the United States Department of Interior National Park Service Certified Local Government Program as stipulated in 36 Code of Federal Regulations 61;
	2. conducts a historic preservation program that the National Park Service certifies as meeting all of the requirements and criteria of the program as stipulated in 36 Code of Federal Regulations 61; and
	3. for the designation of individual historic properties and historic districts, employs criteria that the Maryland Historical Trustapproves as being consistent with criteria used by the Trust.
	(iv) "Certified nondepreciable historic structure" means astructure that is not subject to the depreciation allowance under § 167 or § 168 of the Internal Revenue Code and is:
19	1. listed in the National Register of Historic Places;
20 21	2. designated as an individual historic site by a certified local government;
	3. located in a registered historic district and certified as being of historic significance by the United States Secretary of the Interioror the Maryland Historical Trust; or
	4. located in a district designated as historic by a certified local government and certified as being of historic significance by the certified local government.
	(2) The subtraction under subsection (a) of this section includes the amount allowed under paragraph (3) of this subsection for the amortization of the amortizable basis of a certified nondepreciable historic structure based on a period of 60 months.
31 32	(3) (i) The allowable amortization deduction is the sum of the amortization expenses for the several months of the taxable year.
	(ii) The amortization expense for a month is the amortizable basis at the end of the month divided by the number of months, including the month for which the deduction is computed, remaining in the 60-month period.
36 37	(iii) The amortizable basis at the end of a month is computed without regard to the amortization expense for that month.
38 39	(4) To take the amortization for a certified nondepreciable historic structure, an individual shall file with the Comptroller or the Comptroller's designee, in

or

29	
	the manner and at the time that the Comptroller or designee may require, by the regulation of the Comptroller, a statement of election to:
3	(i) take the amortization deduction; and
4	(ii) begin the 60-month period with:
5	1. the month after the month in which the basis is acquired; or
6 7	2. the taxable year after the year in which the basisis acquired.]
	[(i)] (H) (1) The subtraction under subsection (a) of this section includes twice the amount of expenses for reforestation or timber stand improvement activity on 10 to 100 acres of commercial forest land, exclusive of federal funds.
11	(2) Of the amount under paragraph (1) of this subsection:
	(i) 50% may be claimed in the taxable year in which the Department of Natural Resources issues an initial certificate of reforestation or timber stand improvement; and
	(ii) 50% may be claimed in the taxable year in which the Department of Natural Resources issues a final certificate of reforestation or timber stand improvement.
20	[(i 1)] (I) (1) The subtraction under subsection (a) of this section includes an amount equal to \$3,000 if an individual is a qualifying volunteer fire,rescue, or emergency medical services member for the taxable year, as determined under paragraph (2) of this subsection.
	(2) An individual is a qualifying volunteer fire, rescue, or emergency medical services member for the taxable year eligible for the subtraction modification under this subsection if the individual:
25 26	(i) is an active member of a bona fide Maryland fire, rescue, or emergency medical services organization;
27 28	(ii) serves the organization in a volunteer capacity without compensation, except nominal expenses or meals;
29	(iii) 1. qualifies for active status during the taxable year under:
32 33	A. a volunteer fire, rescue, or emergency medical services personnel length of service award program operated by a county or municipal corporation of the State, if the length of service award program requires for active status qualification a minimum of 50 points per year and that points be earned in at least two different categories; or
37	B. a point system established by a county or municipal corporation that does not operate a volunteer fire, rescue, or emergency medical services personnel length of service award program, to identify active volunteerfire, rescue, or emergency medical services members, if the point system requires for active status

1	qualification a minimum of 50 points per year and that points be earnedin at least two
	different categories; or
2	
3	2. has maintained active status for at least 25 yearsunder a
	volunteer fire, rescue, or emergency medical services personnel length of service award program or a point system established in lieu of a length of service award program; and
5	program of a point system established in fied of a length of service award program, and
6	(iv) will have been an active member of a bona fide Maryland fire,
7	rescue, or emergency medical services organization for at least 72 months during the last
8	10 calendar years by December 31 of the taxable year.
9	(3) Each fire, rescue, or emergency medical services organization shall:
	(,,,,
10	(i) maintain a record of the points earned by each individual during
11	each calendar year;
12	(ii) provide each member a report identifying the number of points
13	earned in each category by February 15 of the following year; and
14	(iii) provide a report that includes the names, Social Security numbers
	and points earned by those members qualifying for the subtraction modification under
16	this section to the Maryland State Firemen's Association by May 1 of the following year.
17	(4) To qualify for the subtraction modification under this subsection, an
18	individual shall attach to the individual's income tax return a copy of the report provided
19	by the organization under paragraph (3) of this subsection.
20	(5) On or before October 1 of each year, the Maryland State Firemen's
	Association shall submit to the Department of Public Safety and Correctional Services
	and the Office of the Comptroller a report stating the participation in the point system by
	the various local subdivisions with the names and Social Security numbers of individuals
	who qualified for the subtraction modification under this subsection for the preceding
	taxable year.
26	(6) (i) A person may not knowingly make or cause any false statement or
27	report to be made in any application or in any document required under this subsection.
28	(ii) Any person who violates or attempts to violate any provision of
	subparagraph (i) of this paragraph shall be subject to a fine of \$1,000.
30	[(i-2)] (J) (1) Except as provided in paragraph (2) of this subsection, the
	subtraction under subsection (a) of this section includes the gross income of a child
32	included in a parent's gross income under § 1(g)(7) of the Internal Revenue Code.
33	(2) The subtraction under paragraph (1) of this subsection doesnot apply
34	for any child who, under § 10-805(b) of this title:
35	(i) is required to file an income tax return for the taxable year; or
رر	(1) 13 required to the air meonic tax return for the taxaore year, or
36	(ii) would have been required to file an income tax returnfor the
	taxable year if the parent had not elected the application of § 1(g)(7)of the Internal
38	Revenue Code.

1	[(j)] (K) (1) The subtraction under subsection (a) of this section includes
2	unreimbursed automobile travel expenses for volunteer service:
3	(i) to a nonprofit volunteer fire company;
4	(ii) to an organization whose principal purpose is to provide medical,
5	health, or nutritional care and to which a contribution is deductible under § 170 of the
	Internal Revenue Code; or
_	
7	(iii) to provide assistance, other than transportation, toa handicapped
	individual, as defined under § 190 of the Internal Revenue Code, who isenrolled as a
9	student in a community college of the State.
10	(2) The amount of the travel expenses under paragraph (1) of this
	subsection shall be:
12	(i) computed using the standard mileage rate allowed for
13	unreimbursed automobile travel expenses under § 162 of the Internal Revenue Code; and
14	(ii) reduced by the amount of unreimbursed automobile travel
	expenses claimed as an itemized deduction for the same organization on the federal tax
	return under § 170 of the Internal Revenue Code.
	Total and \$ 170 of the internal revenue code.
17	[(k)] (L) The subtraction under subsection (a) of this section includes the amount
18	of salary or wages paid for which a deduction is not allowed under § 280C(a) of the
19	Internal Revenue Code, not exceeding the credit allowed for targeted jobs under § 51 of
20	the Internal Revenue Code.
7 1	10-702.1.
41	10-702.1.
22	(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
23	INDICATED.
24	
	AUTHORITY ESTABLISHED UNDER § <del>13-1105</del> <u>13-1103</u> OF THE FINANCIAL INSTITUTIONS
26	ARTICLE.
27	(3) "BUSINESS ENTITY" MEANS A CORPORATION, ASSOCIATION,
	PARTNERSHIP, JOINT VENTURE, OR OTHER LEGALLY ORGANIZED ENTITY.
29	(4) "STATE DESIGNATED HERITAGE AREA" HAS THE MEANING STATED
30	IN § 13-1101(G) OF THE FINANCIAL INSTITUTIONS ARTICLE.
31	(5) "HERITAGE TOURISM ENTERPRISE" MEANS A BUSINESS ENTITY OR
32	A NEW BUSINESS ENTITY THAT:
33	(I) IS LOCATED IN A STATE DESIGNATED HERITAGE AREA THAT
	THE AUTHORITY DETERMINES TO EXIST; AND
<i>-</i> T	The first of the f
35	(II) OPERATES PRINCIPALLY TO PROVIDE GOODS AND SERVICES
36	TO VISITORS WHO RESIDE OUTSIDE THE STATE DESIGNATED HERITAGE AREA IN
37	WHICH THE BUSINESS ENTITY OF NEW BUSINESS ENTITY IS LOCATED.

_	(6) "NEW BUSINESS ENTITY" MEANS A BUSINESS ENTITY THAT HAS NEWLY RELOCATED TO THE STATE FROM OUTSIDE THE STATE OR THAT HAS BEEN NEWLY ESTABLISHED IN THE STATE.
	(7) "QUALIFIED EMPLOYEE" MEANS AN INDIVIDUAL WHO IS A NEW EMPLOYEE OF A BUSINESS ENTITY OR NEW BUSINESS ENTITY LOCATED WITHIN A STATE DESIGNATED HERITAGE AREA.
7 8	(3) "BUSINESS ENTITY" MEANS A PERSON CONDUCTING OR OPERATING A TRADE OR BUSINESS IN THE STATE.
9 10	(4) "HERITAGE TOURISM ENTERPRISE" MEANS A BUSINESS ENTITY THAT:
11	(I) IS LOCATED IN A CERTIFIED HERITAGE AREA; AND
12	(II) WHOSE ACTIVITIES ARE CONSISTENT WITH THE PURPOSES OF
13	THE MANAGEMENT PLAN OF THE CERTIFIED HERITAGE AREA.
14 15	(5) "CERTIFIED HERITAGE AREA" HAS THE MEANING STATED IN § 13-1101(D) OF THE FINANCIAL INSTITUTIONS ARTICLE.
	(6) (I) "QUALIFIED EMPLOYEE" MEANS AN INDIVIDUAL WHO IS A NEW EMPLOYEE IN A NEWLY CREATED POSITION OF A HERITAGE TOURISM ENTERPRISE.
19 20	(II) "QUALIFIED EMPLOYEE" DOES NOT INCLUDE AN INDIVIDUAL WHO:
	1. WAS HIRED TO REPLACE ANOTHER INDIVIDUAL WHOM THE HERITAGE TOURISM ENTERPRISE EMPLOYED IN ANY OF THE 3 TAXABLE YEARS PRECEDING THE HIRING:
24 25	2. WAS REHIRED AFTER BEING LAID OFF BY THE HERITAGE TOURISM ENTERPRISE FOR 6 MONTHS OR LESS; OR
28	3. WAS EMPLOYED BY THE HERITAGE TOURISM ENTERPRISE AND WHOSE JOB FUNCTION WAS TRANSFERRED FROM A LOCATION WITHIN THE STATE, BUT OUTSIDE OF THE CERTIFIED HERITAGE AREA, BEFORE THE HERITAGE TOURISM ENTERPRISE CLAIMED THE CREDIT.
32 33	(B) A HERITAGE TOURISM ENTERPRISE MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX ONLY FOR THE WAGES SPECIFIED IN SUBSECTIONS (C) AND (D) SUBSECTION (C) OF THIS SECTION THAT ARE PAID TO QUALIFIED EMPLOYEES IN THE TAXABLE YEAR FOR WHICH THE HERITAGE TOURISM ENTERPRISE CLAIMS THE CREDIT.
	(C) A CREDIT IS ALLOWED TO A HERITAGE TOURISM ENTERPRISE THAT EQUALS 100% OF THE STATE INCOME TAX PAID BY EACH QUALIFIED EMPLOYEE OF THE HERITAGE TOURISM ENTERPRISE WHO:

_	(1) IS NOT HIRED TO REPLACE AN INDIVIDUAL WHOM THE HERITAGE TOURISM ENTERPRISE EMPLOYED IN THAT OR IN ANY OF THE 3 PRECEDING TAXABLE YEARS; AND
4 5	(2) WAS NOT REHIRED AFTER BEING LAID OFF FOR MORE THAN 6 MONTHS BY THE HERITAGE TOURISM ENTERPRISE.
8	(D) FOR EACH TAXABLE YEAR AFTER THE TAXABLE YEAR SPECIFIED IN SUBSECTION (C) OF THIS SECTION, WHILE AN AREA IS DESIGNATED AS A STATE DESIGNATED HERITAGE AREA, A CREDIT IS ALLOWED THAT EQUALS 50% OF THE STATE INCOME TAX PAID BY EACH QUALIFIED EMPLOYEE.
10 11	(C) FOR EACH TAXABLE YEAR, FOR THE WAGES PAID TO EACH QUALIFIED EMPLOYEE, A CREDIT SHALL BE ALLOWED IN AN AMOUNT EQUAL TO:
12 13	(1) 5% OF UP TO THE FIRST \$20,000 OF THE WAGES PAID TO THE QUALIFIED EMPLOYEE DURING THE FIRST YEAR OF EMPLOYMENT; AND
	(2) 2.5% OF UP TO THE FIRST \$20,000 OF THE WAGES PAID TO THE QUALIFIED EMPLOYEE DURING EACH OF THE SECOND, THIRD, FOURTH, AND FIFTH YEARS OF EMPLOYMENT.
19 20	(E) (D) IF THE CREDIT AUTHORIZED BY THIS SECTION IN ANY TAXABLE YEAR EXCEEDS THE STATE INCOME TAX FOR THAT TAXABLE YEAR, A HERITAGE TOURISM ENTERPRISE MAY APPLY THE EXCESS AS A CREDIT AGAINST THE STATE INCOME TAX FOR THE SUCCEEDING TAXABLE YEARS UNTIL THE FULL AMOUNT OF THE EXCESS IS USED.
24	(E) THE ENTITY THAT IS RESPONSIBLE FOR IMPLEMENTING THE MANAGEMENT PLAN OF A CERTIFIED HERITAGE AREA, AS DESIGNATED BY THE LOCAL JURISDICTIONS, SHALL CERTIFY THAT A BUSINESS ENTITY IS A HERITAGE TOURISM ENTERPRISE.
28	(F) IF THE ENTITY THAT IS RESPONSIBLE FOR IMPLEMENTING THE MANAGEMENT PLAN, DESIGNATED BY THE LOCAL JURISDICTIONS, CERTIFIES THAT A BUSINESS ENTITY IS A HERITAGE TOURISM ENTERPRISE, THE ENTITY SHALL FORWARD A COPY OF THE CERTIFICATION TO THE COMPTROLLER.
30	(G) THE COMPTROLLER SHALL:
31 32	(1) CERTIFY THAT THE EMPLOYEES OF A BUSINESS ENTITY ARE QUALIFIED EMPLOYEES; AND
	(2) ADOPT REGULATIONS FOR THE CERTIFICATION OF QUALIFIED EMPLOYEES AND CALCULATION OF THE CREDIT UNDER THIS SECTION.
36 37	AN INDIVIDUAL OR CORPORATION MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR A CERTIFIED REHABILITATION AS PROVIDED UNDER ARTICLE 83B, § 5-801 OF THE CODE.

#### 1 Article 83B - Department of Housing and Community Development

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- 3 5-801.
- 4 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
- 5 INDICATED.
- 6 (2) "BUSINESS ENTITY" MEANS A CORPORATION, ASSOCIATION,
- 7 PARTNERSHIP, JOINT VENTURE, OR OTHER LEGAL ENTITY.
- 8 (2) "BUSINESS ENTITY" MEANS A PERSON CONDUCTING OR OPERATING
- 9 A TRADE OR BUSINESS IN THE STATE.
- 10 (3) "CERTIFIED HERITAGE AREA" HAS THE MEANING STATED IN §
- 11 <u>13-1101(D) OF THE FINANCIAL INSTITUTIONS ARTICLE.</u>
- 12 (3) (4) "CERTIFIED HERITAGE STRUCTURE" MEANS A STRUCTURE
- 13 THAT IS:
- 14 (I) LISTED IN THE NATIONAL REGISTER OF HISTORIC PLACES;
- 15 (II) DESIGNATED AS A HISTORIC PROPERTY UNDER LOCAL LAW;
- 16 (III) 1. LOCATED IN A HISTORIC DISTRICT LISTED ON THE
- 17 NATIONAL REGISTER OF HISTORIC PLACES OR IN A LOCAL HISTORIC DISTRICT; AND
- 18 2. CERTIFIED BY THE DIRECTOR OF THE MARYLAND
- 19 HISTORICAL TRUST AS CONTRIBUTING TO THE SIGNIFICANCE OF THE DISTRICT; OR
- 20 (IV) LOCATED IN A STATE DESIGNATED CERTIFIED HERITAGE
- 21 AREA AND WHICH HAS BEEN CERTIFIED BY THE MARYLAND HERITAGE AREAS
- 22 AUTHORITY AS CONTRIBUTING TO THE SIGNIFICANCE OF THE STATE DESIGNATED
- 23 <u>CERTIFIED</u> HERITAGE AREA.
- 24 <del>(4)</del> (5) "CERTIFIED REHABILITATION" MEANS REHABILITATION OF A
- 25 CERTIFIED HERITAGE STRUCTURE WHICH THE DIRECTOR CERTIFIES IS
- 26 SUBSTANTIAL REHABILITATION IN CONFORMANCE WITH THE REHABILITATION
- 27 STANDARDS OF THE UNITED STATES SECRETARY OF THE INTERIOR.
- 28 (5) (6) "DIRECTOR" MEANS THE DIRECTOR OF THE MARYLAND
- 29 HISTORICAL TRUST.
- 30 (6) (7) "LOCAL HISTORIC DISTRICT" MEANS A DISTRICT THAT THE
- 31 GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION, OR THE MAYOR
- 32 AND CITY COUNCIL OF BALTIMORE, HAS DESIGNATED UNDER LOCAL LAW AS
- 33 HISTORIC.
- 34 (7) (8) "QUALIFIED REHABILITATION EXPENDITURE" MEANS ANY
- 35 AMOUNT EXPENDED IN THE REHABILITATION OF A STRUCTURE THAT IS PROPERLY
- 36 CHARGEABLE TO CAPITAL ACCOUNT.

1 2	(8) "STATE DESIGNATED HERITAGE AREA" HAS THE MEANING STATED IN § 13-1101(G) OF THE FINANCIAL INSTITUTIONS ARTICLE.
5	(9) "SUBSTANTIAL REHABILITATION" MEANS REHABILITATION OF A STRUCTURE FOR WHICH THE QUALIFIED REHABILITATION EXPENDITURES, DURING THE 24-MONTH PERIOD SELECTED BY THE TAXPAYER ENDING WITH OR WITHIN THE TAXABLE YEAR, EXCEED:
7	(I) FOR OWNER-OCCUPIED RESIDENTIAL PROPERTY, \$5,000; OR
8	(II) FOR ALL OTHER PROPERTY, THE GREATER OF:
9	1. THE ADJUSTED BASIS OF THE STRUCTURE; OR
10	2. \$5,000.
13 14	(B) SUBJECT TO SUBSECTIONS (C) THROUGH (E) OF THIS SECTION, AN INDIVIDUAL OR BUSINESS ENTITY THAT COMPLETES A CERTIFIED REHABILITATION MAY CLAIM A CREDIT AGAINST STATE INCOME TAX IN AN AMOUNT UP TO 25% OF QUALIFIED REHABILITATION EXPENDITURES MADE BY THE TAXPAYER FOR THE REHABILITATION.
18	(C) FOR THE TAXABLE YEAR IN WHICH A CERTIFIED REHABILITATION HAS BEEN COMPLETED, THE CREDIT ALLOWED UNDER SUBSECTION (B) OF THIS SECTION IS ALLOWED UP TO AN AMOUNT THAT EQUALS THE TAXPAYER'S STATE INCOME TAX FOR THAT TAXABLE YEAR.
22	(D) IF THE CREDIT ALLOWED UNDER SUBSECTION (B) OF THIS SECTION EXCEEDS THE CREDIT ALLOWED UNDER SUBSECTION (C) OF THIS SECTION, THE EXCESS MAY BE APPLIED AS A CREDIT AGAINST THE TAXPAYER'S STATE INCOME TAX IN EACH SUCCEEDING TAXABLE YEAR UP TO 15 SUCCEEDING TAXABLE YEARS.
26 27	(B) (1) SUBJECT TO SUBSECTION (C) OF THIS SECTION, FOR THE TAXABLE YEAR IN WHICH A CERTIFIED REHABILITATION IS COMPLETED, A BUSINESS ENTITY OR AN INDIVIDUAL MAY CLAIM A TAX CREDIT IN AN AMOUNT EQUAL TO 25% OF THE TAXPAYER'S QUALIFIED REHABILITATION EXPENDITURES FOR THE REHABILITATION.
29 30	(2) THE SAME TAX CREDIT MAY NOT BE APPLIED MORE THAN ONCE AGAINST DIFFERENT TAXES.
33	(C) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR EXCEEDS THE TOTAL TAX OTHERWISE PAYABLE BY THE BUSINESS ENTITY OR AN INDIVIDUAL FOR THAT TAXABLE YEAR, THE BUSINESS ENTITY OR INDIVIDUAL MAY APPLY THE EXCESS AS A CREDIT FOR SUCCEEDING YEARS UNTIL THE EARLIER OF:
35	(1) THE FULL AMOUNT OF THE EXCESS IS USED; OR
36 37	(2) THE EXPIRATION OF THE FIFTEENTH TAXABLE YEAR AFTER THE TAXABLE YEAR IN WHICH THE CERTIFIED REHABILITATION IS COMPLETED.
38 39	(E) (D) IF A CERTIFIED HERITAGE STRUCTURE FOR WHICH A CERTIFIED REHABILITATION HAS BEEN COMPLETED IS SOLD OR TRANSFERRED, THE AMOUNT

- 1 OF ANY CREDIT UNUSED AT THE TIME OF SALE OR TRANSFER MAY BE
- 2 TRANSFERRED TO THE INDIVIDUAL OR BUSINESS ENTITY TO WHICH THE BUILDING
- 3 IS SOLD OR TRANSFERRED.
- 4 (F) THE DIRECTOR AND THE MARYLAND HERITAGE AREAS AUTHORITY MAY
- 5 CHARGE A REASONABLE FEE TO CERTIFY A HERITAGE STRUCTURE OR A
- 6 REHABILITATION UNDER THIS SECTION.
- 7 (G) (E) THE DIRECTOR AND THE MARYLAND HERITAGE AREAS
- 8 AUTHORITY MAY ADOPT REGULATIONS TO ESTABLISH PROCEDURES AND
- 9 STANDARDS FOR CERTIFYING HERITAGE STRUCTURES AND REHABILITATION
- 10 REHABILITATIONS UNDER THIS SECTION.
- 11 **Article Tax Property**
- 12 9-204.1.
- 13 (a) In this section, "eligible improvements" means significant improvements to, or 14 restoration or rehabilitation of, thistoric HERITAGE OR HERITAGE properties.
- 15 (b) The General Assembly declares that it is in the general public interest to
- 16 foster and encourage historic preservation AND HERITAGE TOURISM activities through
- 17 improvement, restoration, and rehabilitation of, {historic} HERITAGE ORHERITAGE
- 18 property so as to:
- 19 (1) preserve and protect the [architectural] heritage of the State as
- 20 represented by its remaining historic buildings and structures;
- 21 (2) stimulate the positive aspects of [historic] HERITAGE OR HERITAGE
- 22 preservation, such as economic development and employment opportunities; and
- 23 (3) implement and effect local government planning activities aimed at
- 24 preserving historic structures, sites, [and] districts, AND HERITAGE AREAS.
- 25 (c) It is the intent of the General Assembly that:
- 26 (1) the taxation of significant improvements to, and restoration or
- 27 rehabilitation of, {historic} HERITAGE OR HERITAGE properties be maintained, for a
- 28 period of up to 10 years, at taxation levels not greater than those in place before the
- 29 eligible improvements if approved as part of a local government plan for [historic]
- 30 HERITAGE OR HERITAGE preservation;
- 31 (2) the methods and procedures to implement a program for the purposes of
- 32 this section be determined by the applicable local government; and
- 33 (3) State financial assistance to a local government not be conditioned upon
- 34 the local government implementing a program under this section.
- 35 (d) The Mayor and City Council of Baltimore, the governing body of each county,
- 36 and the governing body of each municipal corporation may:
- 37 (1) implement, by law, a program that provides for a property tax credit not
- 38 to exceed the difference between:

1 2	(i) the property tax that, but for the tax credit, would be payable after the completion of eligible improvements; and
3	(ii) the property tax that would be payable if the eligible improvements were not made; and
5 6	(2) adopt any requirements and procedures that are necessary or appropriate to carry out the purposes of this section.
7	(e) A property tax credit provided for under this section shall:
8 9	(1) be subject to eligibility requirements no less stringent than those applicable to credits authorized under § 9-204 of this subtitle;
10	(2) be for a period that does not exceed 10 years for each property;
11	(3) apply to eligible improvements which are:
12	(i) located within the boundaries of:
13 14	1. a property listed individually on the National Register of Historic Places, or a national register historic or landmark district; or
15 16	2. a property or district designated as a historic property or district under local law; [and] OR
	3. A PROPERTY INCLUDED WITHIN THE BOUNDARIES OF A STATE DESIGNATED CERTIFIED HERITAGE AREA UNDER $\S$ 13-1111 OF THE FINANCIAL INSTITUTIONS ARTICLE; AND
	(ii) FOR A PROPERTY OR DISTRICT UNDER PARAGRAPH (3)(I)1 OR2 OF THIS SUBSECTION, determined by the local historic district commission to be compatible with local historic preservation standards.
23	<u>13-209.</u>
26	(d) (1) Subject to subsection (e) of this section, for the fiscal year commencing July 1, 1995 and for each subsequent fiscal year, the balance of the revenue in the special fund, not required under subsection (b) of this section, shall be allocated as provided in this subsection.
	(2) Until the outstanding debt authorized under the Outdoor Recreation  Land Loan of 1969 has been reduced to zero, at least \$1,000,000 shall be allocated in the  State budget for reduction of State debt authorized under that loan.
31 32	(3) The balance in excess of the amounts allocated in paragraph(2) of this subsection shall be allocated in the State budget as follows:
35	(i) 83.5% for the purposes specified in Title 5, Subtitle 9 of the Natural Resources Article (Program Open Space), OF WHICH \$1,000,000 SHALL BE ALLOCATED TO THE MARYLAND HERITAGE AREAS FINANCING FUND, AS REQUIRED BY \$ 5-903 OF THE NATURAL RESOURCES ARTICLE;
37	(ii) 14.5% for the Agricultural Land Preservation Fund established

38 under § 2-505 of the Agriculture Article; and

1 2	(iii) 2% for the Heritage Conservation Fund established under Title 5.  Subtitle 15 of the Natural Resources Article.
3	Article - Natural Resources
4	<u>5-903.</u>
7 8	(a) One half of the funds shall be used for THE MARYLAND HERITAGE AREAS FINANCING FUND AND FOR recreation and open space purposes by the Department and the Historic St. Mary's City Commission. Except as otherwise provided in this section, any funds the General Assembly appropriates to the State under this subsection shall be used only for land acquisition projects.
12 14 15 16	(1) A portion of the State's share of funds available under this program shall be utilized to make grants to Baltimore City for projects which meet park purposes. The grants shall be in addition to any funds Baltimore City is eligible to receive under subsection (b) of this section, and may be used for acquisition or development. In order for Baltimore City to be eligible for a State grant, the Department shall review projects or land to be acquired within Baltimore City, and upon the Department's recommendation, the Board of Public Works may approve projects and land including the cost. Title to the land shall be in the name of the Mayor and City Council of Baltimore City. The State is not responsible for costs involved in the development or maintenance of the land.
21	(2) \$1,000,000 OF THE STATE'S SHARE OF THE FUNDS AVAILABLE UNDER THIS PROGRAM SHALL BE ALLOCATED TO THE MARYLAND HERITAGE AREAS FINANCING FUND AS ESTABLISHED UNDER § 13-1113 OF THE FINANCIAL INSTITUTIONS ARTICLE.
23 24	SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:
25	Article - Insurance
26	6-105.1.
29	A PERSON SUBJECT TO THE TAX IMPOSED UNDER THIS SUBTITLE MAY CLAIM A CREDIT AGAINST THE TAX FOR A CERTIFIED REHABILITATION AS PROVIDED UNDER $\S$ 10-704.4 OF THE TAX – GENERAL ARTICLE ARTICLE 83B, $\S$ 5-801 OF THE CODE.
33	SECTION 3. AND BE IT FURTHER ENACTED, That this Act is the changes made under this Act to the Tax - General Article, the Tax - Property Article, Article 48A of the Code, and Article 83B of the Code shall be applicable to all taxable years beginning after December 31, 1996.
37	SECTION 4. AND BE IT FURTHER ENACTED, That, notwithstanding Sections 1 and 2 of this Act, an individual or business entity that elects to take the amortization deduction specified in § 10-208(h) of the Tax - General Article and to begin the 60-month amortization period in a taxable year before January 1, 1997, shall:
	(1) Shall take any balance of the deduction in the taxable years after December 31, 1996, as specified under § 10-208(h) of the Tax - General Article as in effect before its repeal under Section 1 of this Act; and

	(2) May not claim the tax credit allowed under Article 83B, § 5-801 of the Code with respect to the rehabilitation for which the taxpayer has elected to take the amortization deduction.
6 (	SECTION 5. AND BE IT FURTHER ENACTED, That the initial terms of the sight nine members of the Maryland Heritage Areas Authority appointed by the Governor under § 13-1106(a)(8) 13-1104(a)(9) of the Financial Institutions Article, as added by Section 1 of this Act, are as follows:
8 9 s	(1) of the two elected officials or representatives of local jurisdictions, one shall serve a term of 2 years and one shall serve a term of 4 years;
	(2) of the two persons appointed from names recommended by the President of the Maryland Senate, one shall serve a term of 2 years and one shall serve a term of 4 years;
	(3) of the two persons appointed from names recommended by the Speaker of the House of Delegates, one shall serve a term of 2 years and one shall serve a term of 4 years; and
16 17	(4) of the two additional members appointed by the Governor, one shall serve a term of 2 years and one shall serve a term of 4 years.
	(4) of the members that represent the Maryland Greenways Commission and the Maryland Tourism Board, one shall serve a term of 2 years and one shall serve a term of 4 years; and
21 22	(5) the additional member who has significant experience or education in historic preservation or heritage tourism, shall serve a term of 4 years.
25 26 27	SECTION 6. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, employees of any unit of State government that are dedicated or detailed to the Maryland Heritage Areas Authority are not subject to a change in their current classifications or other rights under Division I of the State Personnel and Pensions Article because they have been dedicated or detailed to the Maryland Heritage Areas Authority.
29 30	SECTION 6. 7. AND BE IT FURTHER ENACTED, That Section 2 of this Act is effective October 1, 1998 1997.
31	SECTION 7-8. AND BE IT FURTHER ENACTED, That, except as provided in

32 Section 6 7 of this Act, this Act shall take effect October 1, 1996.