
By: Delegate Hurson

Introduced and read first time: February 6, 1996

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Sunny Day Fund - Report of Department of Business and Economic Development**

3 FOR the purpose of requiring the Department of Business and Economic Development,
4 when making a request to the Legislative Policy Committee for a transfer of funds
5 from the Economic Development Opportunities Program (Sunny Day) Fund, to
6 report to the Committee about certain activities of the ultimate recipient of the
7 funds concerning individuals who receive assistance from the Aid to Families with
8 Dependent Children Program; requiring the Department to report to the
9 Committee concerning any requirements of the Department which are applicable to
10 a certain recipient before the recipient receives the funds; specifying that certain
11 requirements applicable to the Department are not applicable to a certain recipient;
12 and generally relating to a certain report of the Department of Business and
13 Economic Development concerning the use of money from the Sunny Day Fund.

14 BY repealing and reenacting, with amendments,
15 Article - State Finance and Procurement
16 Section 7-314
17 Annotated Code of Maryland
18 (1995 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 - State Finance and Procurement**

22 7-314.

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

24 (2) "Fund" means the Economic Development Opportunities Program
25 Fund.

26 (3) "Private sector enterprise" means any commercial, industrial,
27 educational, or research organization which is not a part of or controlled by a federal,
28 State, or local government agency.

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

4 (b) Subject to the provisions of this section, the Economic Development
5 Opportunities Program Fund is established to maximize extraordinary economic
6 development opportunities.

7 (c) The Governor may provide an appropriation in the budget bill to the Fund for
8 a specific or general purpose or purposes.

9 (d) After notice to and approval by the Legislative Policy Committee, the
10 Governor may transfer funds by budget amendment from the Economic Development
11 Opportunities Program Fund to the expenditure account of the appropriate executive
12 agency.

13 (e) (1) The Fund is a continuing, nonlapsing fund which is not subject to §
14 7-302 of this subtitle.

15 (2) The Treasurer shall separately hold, and the Comptroller shall account
16 for, the Fund.

17 (3) The Fund shall be invested and reinvested in the same manner as other
18 State funds.

19 (4) Except as provided in paragraph (5) of this subsection, any investment
20 earnings shall be subject to § 7-311(d) of this subtitle.

21 (5) Any investment earnings on moneys transferred from the Fund to a
22 second continuing, nonlapsing fund may be retained to the credit of this second fund.

23 (f) (1) Moneys appropriated or credited to the Fund do not revert to the
24 Revenue Stabilization Account.

25 (2) Except as provided in paragraph (3) of this subsection, repayments of
26 principal or interest on any loan from the Fund, as provided in subsection (h) of this
27 section, shall be retained to the credit of the Fund.

28 (3) Repayments of principal or interest on any loan made from moneys
29 transferred from the Fund to a second continuing, nonlapsing fund may be retained to the
30 credit of the second fund.

31 (g) The Department of Business and Economic Development shall report to the
32 Governor and, subject to § 2-1312 of the State Government Article, to the General
33 Assembly before January 1 of each year the financial status of the program and a
34 summary of its operations for the preceding fiscal year.

35 (h) Any funds transferred from the Economic Development Opportunities
36 Program Fund shall be used only for extraordinary economic development opportunities
37 that meet the criteria provided in this section.

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1 (i) Subject to the provisions of this subtitle, funds transferred from the Economic
2 Development Opportunities Program Fund, to an executive agency, may be loaned or
3 granted for:

4 (1) assisting in the retention or expansion of existing private sector
5 enterprises, public or private institutions, or federal research and development institutes;

6 (2) assisting in the establishment or attraction of private sector enterprises,
7 public or private institutions, or federal research and development institutes new to this
8 State; or

9 (3) providing assistance where existing State or local programs lack
10 sufficient resources or are constrained by timing or program design from being utilized.

11 (j) Upon request for approval for the transfer of funds by budget amendment
12 from the Fund, the Governor shall provide, subject to § 2-1312 of the State Government
13 Article, to the Legislative Policy Committee:

14 (1) a detailed description of:

15 (i) the proposed use of the funds;

16 (ii) the manner in which the proposed use meets the criteria as set
17 forth in this section;

18 (iii) the degree to which the proposed use of funds will advance
19 statewide or local economic development strategies and objectives; and

20 (iv) the degree to which available sources of federal, State, local, and
21 private financial support has been sought and will be utilized;

22 (2) the terms and conditions of any grant or loan for which the funds are to
23 be used;

24 (3) a comprehensive economic analysis of the proposed use of the funds
25 which estimates:

26 (i) the economic impact to the State and the local jurisdictions
27 affected;

28 (ii) a minimum level of net economic benefits to the public sector; and

29 (iii) any other appropriate financial or economic benefits; and

30 (4) any other analysis or information that is requested by the Legislative
31 Policy Committee.

32 (k) Funds appropriated to the Economic Development Opportunities Program
33 Fund may not be loaned or granted for:

34 (1) substituting for funds from other State or local programs for which a
35 project may be eligible and sufficient resources exist;

36 (2) projects which are not likely to attract or retain employment
37 opportunities;

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1 (3) funding projects located outside the State;

2 (4) construction or land acquisition by the Maryland Stadium Authority; or

3 (5) funding for any sports activity or facility.

4 (L) (1) THIS SUBSECTION DOES NOT REQUIRE THE RECIPIENT OF A GRANT
5 OR LOAN FROM THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT
6 UNDER THIS SECTION TO MEET THE REQUIREMENTS SPECIFIED IN ITEMS (I)
7 THROUGH (III) OF PARAGRAPH (2) OF THIS SECTION.

8 (2) THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT,
9 WHEN MAKING A REQUEST TO THE LEGISLATIVE POLICY COMMITTEE FOR A
10 TRANSFER OF FUNDS FROM THE FUND TO THE DEPARTMENT FOR A LOAN OR
11 GRANT TO A RECIPIENT THAT IS AUTHORIZED TO RECEIVE FUNDS UNDER THIS
12 SECTION, SHALL REPORT TO THE COMMITTEE CONCERNING:

13 (I) THE EFFORTS OF THE RECIPIENT TO HIRE INDIVIDUALS WHO
14 RECEIVE ASSISTANCE FROM THE AID TO FAMILIES WITH DEPENDENT CHILDREN
15 PROGRAM;

16 (II) THE TRAINING PROGRAMS OF THE RECIPIENT FOR
17 INDIVIDUALS WHO RECEIVE ASSISTANCE FROM THE AID TO FAMILIES WITH
18 DEPENDENT CHILDREN PROGRAM;

19 (III) THE EXTENT TO WHICH THE RECIPIENT PROVIDES CHILD
20 CARE FACILITIES FOR INDIVIDUALS WHO RECEIVE ASSISTANCE FROM THE AID TO
21 FAMILIES WITH DEPENDENT CHILDREN PROGRAM; AND

22 (IV) ANY REQUIREMENTS OF THE DEPARTMENT WHICH ARE
23 APPLICABLE TO THE RECIPIENT BEFORE THE RECIPIENT RECEIVES THE FUNDS
24 FROM THE DEPARTMENT.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 October 1, 1996.