

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL NO. 446

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “transfer” in line 4 down through “process;” in line 10 and substitute “grant funds from the Maryland Industrial Land Fund to local economic development funds to be used for certain purposes; requiring the Secretary to consider certain factors before granting funds under this Act; requiring a local government to provide a matching fund under certain circumstances; establishing certain limitations on the granting of funds under this Act; requiring the Department of Business and Economic Development to make a certain annual report regarding the grants under this Act; stating a certain intent of the General Assembly;”; in line 10, after “terms;” insert “providing for the termination of this Act;”; in line 12, strike “repealing and reenacting, without amendments,” and substitute “adding to”; strike line 14 in its entirety and substitute “Section 5-702(4) and 5-718”; in line 17, strike “adding to” and substitute “repealing and reenacting, with amendments,”; and in line 19, strike “5-105” and substitute “5-703”.

AMENDMENT NO. 2

On pages 1 and 2, strike in their entirety the lines beginning with line 25 on page 1 through line 31 on page 2, inclusive, and substitute:

“5-702.

The General Assembly makes the following declarations as a statement of its legislative intent in the enactment of this subtitle:

(4) THERE IS A NEED FOR ADDITIONAL CAPITAL TO FUND LOCAL ECONOMIC DEVELOPMENT FUNDS TO ALLOW SUCH FUNDS TO BECOME SELF-SUSTAINING.

5-703.

(Over)

(a) In this subtitle the following words have the meanings indicated.

(b) “Borrower” means a political subdivision or private entity that borrows funds under this subtitle.

(c) “County” includes the City of Baltimore.

(d) “Department” means the Department of Business and Economic Development.”.

On page 2, in lines 32 and 35, strike “(2)” and “(3)”, respectively, and substitute “(E)” and “(F)”, respectively; and in line 35, strike “INCLUDES:” and substitute “MEANS”.

On page 3, in line 1, strike “(I)”; in the same line, strike “AND” and substitute “OR”; in line 2, after “AGENCY” insert “OR”; strike beginning with the semicolon in line 2 down through “ENTITY” in line 3; and after line 3, insert:

“(e) (G) “Political subdivision” or “subdivision” means:

(1) A county;

(2) A municipal corporation subject to the provisions of Article XI-E of the Maryland Constitution; or

(3) The Maryland Economic Development Corporation.

(f) (H) “Secretary” means the Secretary of Business and Economic Development.”.

AMENDMENT NO. 3

On page 3, strike in their entirety lines 4 through 14, inclusive, and substitute:

“5-718.

(A) (1) A LOCAL GOVERNMENT MAY APPLY FOR AND THE SECRETARY MAY APPROVE A GRANT TO A LOCAL ECONOMIC DEVELOPMENT FUND.

(2) IN JUDGING WHETHER OR NOT TO APPROVE A GRANT, THE SECRETARY SHALL CONSIDER AND DETERMINE:

(I) THE AVERAGE RATE OF UNEMPLOYMENT FOR THE LOCAL JURISDICTION IN COMPARISON TO THE AVERAGE RATE OF UNEMPLOYMENT FOR THE STATE;

(II) WHETHER THE LOCAL GOVERNMENT CURRENTLY ADMINISTERS A LOCAL ECONOMIC DEVELOPMENT FUND;

(III) THE ABILITY OF THE LOCAL GOVERNMENT TO LEVERAGE PRIVATE MONEYS;

(IV) THE LEVEL OF FINANCIAL COMMITMENT PROVIDED BY THE LOCAL GOVERNMENT; AND

(V) ANY OTHER FACTORS THAT THE SECRETARY CONSIDERS RELEVANT.

(B) TO QUALIFY FOR A GRANT, A LOCAL GOVERNMENT SHALL PROVIDE AT LEAST AN EQUAL AND MATCHING GRANT OF FUNDS TO THE LOCAL ECONOMIC DEVELOPMENT FUND.

(C) (1) DURING A FISCAL YEAR:

(I) THE DEPARTMENT MAY NOT GRANT MORE THAN \$2 MILLION UNDER THIS SECTION; AND

(II) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A COUNTY MAY NOT RECEIVE MORE THAN \$250,000 UNDER THIS SECTION.

(2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, DURING THE PERIOD FROM OCTOBER 1, 1998 THROUGH JUNE 30, 2003, A COUNTY MAY NOT RECEIVE A TOTAL OF MORE THAN \$500,000 UNDER THIS SECTION.

(Over)

(3) FOR PURPOSES OF THE LIMITATIONS UNDER PARAGRAPHS (1)(II) AND (2) OF THIS SUBSECTION, ANY FUNDS RECEIVED UNDER THIS SECTION BY A MUNICIPAL CORPORATION OR A DESIGNATED AGENCY OR INSTRUMENTALITY SHALL BE DEEMED TO BE FUNDS GRANTED TO THE COUNTY WITHIN WHICH THE MUNICIPAL CORPORATION, AGENCY, OR INSTRUMENTALITY IS LOCATED.

(D) (1) A LOCAL GOVERNMENT SHALL UTILIZE A GRANT OF FUNDS UNDER THIS SECTION FOR THE PURPOSE OF PROVIDING LOANS FOR FINANCING ECONOMIC DEVELOPMENT PROJECTS.

(2) AT THE DISCRETION OF THE SECRETARY, FUNDS GRANTED UNDER THIS SECTION MAY REVERT TO THE DEPARTMENT IF THE LOCAL ECONOMIC DEVELOPMENT FUND IS INACTIVE FOR MORE THAN 2 YEARS AFTER THE DATE ON WHICH A GRANT OF FUNDS UNDER THIS SECTION IS MADE.

(E) THE DEPARTMENT SHALL REPORT TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY BEFORE JANUARY 1 OF EACH YEAR ON THE NUMBER, AMOUNT, USE, AND ECONOMIC BENEFITS OF GRANTS AWARDED UNDER THIS SECTION.”.

AMENDMENT NO. 4

On page 3, in line 15, after “That” insert “it is the intent of the General Assembly that the Department of Business and Economic Development develop policy guidelines and procedures for implementing the grant program established under Section 1 of this Act by October 1, 1998.

SECTION 3. AND BE IT FURTHER ENACTED, That”;

in line 16, after “1998.” insert “It shall remain effective for a period of 4 years and 9 months and, at the end of June 30, 2003, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.”.