
By: **Delegates Marriott, Exum, Fulton, Patterson, Kirk, Watson, McHale, T. Murphy, Muse, Howard, Grosfeld, and Oaks**

Introduced and read first time: February 13, 1998

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Neighborhood Business Development Program and Fund**

3 FOR the purpose of requiring the State Comptroller, beginning with a certain fiscal
4 year, to transfer from the Economic Development Opportunities Program Fund
5 a certain percentage of moneys from the Fund to the Neighborhood Business
6 Development Fund under the Department of Housing and Community
7 Development to be used for additional funding for neighborhood small business
8 creation, retention, and expansion; and relating generally to the Economic
9 Development Opportunities Program Fund and the Neighborhood Business
10 Development Program and Fund.

11 BY adding to

12 Article - State Finance and Procurement
13 Section 7-314 (p)
14 Annotated Code of Maryland
15 (1995 Replacement Volume and 1997 Supplement)

16 Preamble

17 WHEREAS, The Economic Development Opportunities Program (Sunny Day)
18 Fund plays an important role in the overall efforts of the State of Maryland to retain
19 and expand existing businesses and attract new businesses, the retention and
20 expansion of small businesses, especially in economically depressed areas of the
21 State, and is also critical to maintaining economic parity, growth, and opportunities
22 for all citizens of Maryland; and

23 WHEREAS, The Neighborhood Business Development Program and Fund
24 under the Department of Housing and Community Development is designed to
25 stimulate the retention, expansion, and establishment of small businesses in areas
26 and neighborhoods of jurisdictions of the State that have high unemployment, lower
27 incomes, a significant number of abandoned and substandard structures, and a
28 demonstrated need to upgrade social and economic conditions; and

1 WHEREAS, The goals and objectives of the Neighborhood Business
2 Development Program and Fund are just as important as those of the Economic
3 Development Opportunities Program Fund (Sunny Day); and

4 WHEREAS, The annual appropriation for the Sunny Day Fund is over 5 times
5 higher than the Neighborhood Business Development Fund: for Fiscal Year 1997, the
6 actual appropriation for the Neighborhood Business Development Fund was
7 \$5,515,951, while the actual appropriation for the Sunny Day Fund was \$27,000,000;
8 and

9 WHEREAS, In Fiscal Year 1997, the Neighborhood Business Development
10 Program made 45 loans and grants to eligible recipients, a higher number than the
11 total number of grants and loans made under the Sunny Day Fund for Fiscal Year
12 1997; and

13 WHEREAS, With additional funds each year, the Neighborhood Business
14 Development Program could make more grants and loans to accelerate the pace of
15 achieving the Program's goals and objectives; now, therefore,

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

18 **Article - State Finance and Procurement**

19 7-314.

20 (P) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, BEGINNING WITH
21 FISCAL YEAR 1999 AND IN EACH FISCAL YEAR THEREAFTER, THE COMPTROLLER
22 SHALL TRANSFER 10% OF THE ANNUAL APPROPRIATION TO THE ECONOMIC
23 DEVELOPMENT OPPORTUNITIES PROGRAM FUND TO THE NEIGHBORHOOD BUSINESS
24 DEVELOPMENT FUND ADMINISTERED BY THE DIVISION OF NEIGHBORHOOD
25 REVITALIZATION OF THE DEPARTMENT OF HOUSING AND COMMUNITY
26 DEVELOPMENT, TO BE USED AS ADDITIONAL FUNDING FOR THE PURPOSES SET
27 FORTH IN ARTICLE 83B, TITLE 4, SUBTITLE 2 OF THE CODE.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
29 July 1, 1998.