

BY: Budget and Taxation Committee

AMENDMENTS TO HOUSE BILL NO. 464
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 4, strike “provision that applies” and substitute “date of certain provisions of law related”; strike beginning with “altering” in line 5 down through “circumstances” in line 8 and substitute “eliminating the requirement that an application for financial assistance from the Fund must include certain information related to bankruptcy and existing liens or judgments; requiring that, if the applicant or any of the owners of the applicant currently owe any State or federal taxes that were not paid when due, the application include certain evidence regarding the payment or dispute of taxes; extending the maximum duration for certain loans; removing a defined period of extension for the extension of the terms of certain loans, subject to certain limitations; making technical changes”; in line 9, after “Fund” insert “in the Department of Business and Economic Development”; strike in their entirety lines 10 through 14, inclusive; and in line 17, strike “5-1303(d) and 5-1304(d)” and substitute “5-1303 and 5-1304”.

AMENDMENT NO. 2

On page 2, after line 5, insert:

“(a) The Department may use moneys in the Fund to:

(1) Provide financial assistance to eligible applicants; and

(2) Pay expenses for administrative, actuarial, legal, and technical services for the

Fund.

(b) Subject to the restrictions of this subtitle, the Department may provide financial assistance from the Fund to a business that:

(1) Is a small business;

(Over)

(2) Has made reasonable efforts to obtain financial assistance on reasonable terms from other sources; and

(3) Meets the qualifications required by this subtitle.”;

in line 22, strike “a” and substitute “:

1. A”;

in the same line, strike “WHETHER” and substitute “THAT NEITHER”; and in line 23, strike “OR” and substitute “NOR”.

On pages 2 and 3, strike beginning with “, AND” in line 28 on page 2 through “CHANNELS” in line 4 on page 3 and substitute “OR

2. IF THE APPLICANT OR ANY OF ITS OWNERS CURRENTLY OWE ANY STATE OR FEDERAL TAXES THAT WERE NOT PAID WHEN DUE, EVIDENCE THAT THE TAXPAYER:

A. WILL HAVE PAID THE TAXES IN FULL BEFORE THE ANTICIPATED TIME OF CLOSING FOR ANY FINANCIAL ASSISTANCE TO BE PROVIDED UNDER THIS SUBTITLE;

B. IS IN COMPLIANCE WITH A REPAYMENT SCHEDULE APPROVED BY THE TAXING AUTHORITY; OR

C. IS DISPUTING THE TAXES IN GOOD FAITH AND THROUGH APPROPRIATE CHANNELS”.

On page 3, after line 13, insert:

“(a) Except as provided in this subtitle, the Department may set the terms and conditions for loans, loan guarantees, and any other financial assistance provided under this subtitle.

(b) The Department may require any security or guarantee for financial assistance as it deems appropriate.

(c) The amount of any financial assistance shall not be less than \$10,000 and shall not exceed \$100,000.”;

in line 20, strike “borrowers” and substitute “BORROWER’S”; in the same line, after “that” insert “, SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION,”;

after line 26, insert:

“(e) The applicant must provide at least 10% of the total project costs or capital needed.

(f) Funds made available through financial assistance may be used only to finance costs incurred for:

(1) Acquisition or construction of a building or real estate;

(2) Acquisition, construction, or installation of machinery, equipment, furnishings, fixtures, leasehold improvements, or site improvements; or

(3) Working capital.

(g) If an applicant violates any provision of the financial assistance documents or ceases to meet the requirements of this subtitle, the Department may:

(1) Withhold from the applicant further advances of financial assistance until the applicant complies with the agreement or requirements; and

(2) Exercise any other remedy for which the financial assistance documents provide.

(h) The Department shall adopt regulations necessary to carry out the provisions of this subtitle.

(Over)

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:";

after line 31, insert:

"SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take effect July 1, 2001."

in line 32, strike "2." and substitute "4."; in the same line, after "That" insert ", except as provided in Section 3 of this Act."; and in line 33, strike "July 1, 2001" and substitute "June 1, 2001".