
By: **Delegates Valderrama, Patterson, and Hill**
Introduced and read first time: February 8, 2002
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Technology Empowerment Zones**

3 FOR the purpose of requiring a municipal corporation or county that exercises the
4 authority to grant cable television franchises to offer property tax credits or
5 other appropriate incentives to technology companies that invest in technology
6 empowerment zones designated by the municipal corporation or county or offer
7 bundled technology services at discounted rates in technology empowerment
8 zones; authorizing certain local jurisdictions to grant, by law, a tax credit
9 against the county or municipal corporation property tax imposed on property
10 owned by certain technology companies; authorizing certain local jurisdictions
11 to provide, by law, for the amount and duration of the tax credit and any other
12 provision necessary to carry out the credit; defining certain terms; and generally
13 relating to certain local incentives for technology companies in technology
14 empowerment zones.

15 BY repealing and reenacting, without amendments,
16 Article 23A - Corporations - Municipal
17 Section 2(b)(13)
18 Annotated Code of Maryland
19 (2001 Replacement Volume)

20 BY adding to
21 Article 24 - Political Subdivisions - Miscellaneous Provisions
22 Section 15-101 to be under the new title and subtitle "Title 15. Technology
23 Empowerment Zones" and "Subtitle 1. Property Tax Credits and Other
24 Incentives", respectively
25 Annotated Code of Maryland
26 (2001 Replacement Volume)

27 BY repealing and reenacting, without amendments,
28 Article 25 - County Commissioners
29 Section 3(a)(1) and (c)
30 Annotated Code of Maryland

1 (2001 Replacement Volume)

2 BY repealing and reenacting, without amendments,
3 Article 25A - Chartered Counties of Maryland
4 Section 5(B)
5 Annotated Code of Maryland
6 (2001 Replacement Volume)

7 BY adding to
8 Article - Tax - Property
9 Section 9-241
10 Annotated Code of Maryland
11 (2001 Replacement Volume and 2001 Supplement)

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

14 **Article 23A - Corporations - Municipal**

15 2.

16 (b) In addition to, but not in substitution of, the powers which have been, or
17 may hereafter be, granted to it, such legislative body also shall have the following
18 express ordinance-making powers:

19 (13) To grant franchises as provided under existing public general or
20 public local laws; to grant one or more exclusive or nonexclusive franchises for a
21 community antenna system or other cable television system that utilizes any public
22 right-of-way, highway, street, road, lane, alley, or bridge, to impose franchise fees,
23 and to establish rates, rules, and regulations for franchises granted under this
24 section.

25 **Article 24 - Political Subdivisions - Miscellaneous Provisions**

26 TITLE 15. TECHNOLOGY EMPOWERMENT ZONES.

27 SUBTITLE 1. PROPERTY TAX CREDITS AND OTHER INCENTIVES.

28 15-101.

29 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
30 INDICATED.

31 (2) "TECHNOLOGY COMPANY" MEANS A COMPANY THAT OFFERS
32 TECHNOLOGY SERVICES.

1 (3) "TECHNOLOGY SERVICES" INCLUDE CABLE TELEVISION,
2 HIGH-SPEED INTERNET ACCESS, LOCAL AND LONG-DISTANCE PHONE SERVICE, AND
3 ELECTRICITY.

4 (B) A MUNICIPAL CORPORATION OR COUNTY EXERCISING ITS AUTHORITY TO
5 GRANT FRANCHISES FOR CABLE TELEVISION SYSTEMS UNDER ARTICLE 23A, § 2(B)(13)
6 OF THE CODE, ARTICLE 25, § 3(C) OF THE CODE, OR ARTICLE 25A, § 5(B) OF THE CODE
7 SHALL OFFER PROPERTY TAX CREDITS OR OTHER APPROPRIATE INCENTIVES TO A
8 TECHNOLOGY COMPANY THAT:

9 (1) INVESTS IN TECHNOLOGY EMPOWERMENT ZONES DESIGNATED BY
10 THE MUNICIPAL CORPORATION OR COUNTY BY:

11 (I) CONTRACTING WITH LOCAL COMPANIES TO BUILD NEW
12 INFRASTRUCTURE OR PROVIDE SERVICES;

13 (II) CARRYING LOCAL COMMUNITY TELEVISION BROADCASTS AND
14 CHANNELS;

15 (III) OFFERING INTERNSHIPS TO STUDENTS AT LOCAL HIGH
16 SCHOOLS OR COMMUNITY COLLEGES; OR

17 (IV) CREATING COMPUTER LABS IN COMMUNITY FACILITIES,
18 RECREATIONAL CENTERS, OR LIBRARIES; OR

19 (2) OFFERS BUNDLED TECHNOLOGY SERVICES AT DISCOUNTED RATES
20 IN TECHNOLOGY EMPOWERMENT ZONES.

21 **Article 25 - County Commissioners**

22 3.

23 (a) (1) The county commissioners of each county in this State, in addition to,
24 but not in substitution of, the powers which have been or may be granted them, have
25 the following express powers.

26 (c) To grant franchises as provided under existing public general or public
27 local laws.

28 **Article 25A - Chartered Counties of Maryland**

29 5.

30 The following enumerated express powers are granted to and conferred upon
31 any county or counties which hereafter form a charter under the provisions of Article
32 XI-A of the Constitution, that is to say:

1

(B)

2 To provide for the protection of the county property; to provide for the
3 acquisition by purchase, lease, or otherwise, and condemnation of property required
4 for public purposes in the county; to dispose of any real or leasehold property
5 belonging to the county, provided the same is no longer needed for public use; to
6 provide for the financing of any housing or housing project in whole or in part,
7 including the placement of a deed of trust, mortgage, or other instrument upon the
8 property to ensure repayment of funds used to purchase, construct, rehabilitate, or
9 otherwise develop the housing project; to grant any franchise or right to use the same,
10 or any right or franchise in relation to any highway, street, road, lanes, alley or
11 bridge; to grant one or more exclusive or nonexclusive franchises for a community
12 antenna system or other cable television system that utilizes any public right-of-way,
13 highway, street, road, lane, alley, or bridge, to impose franchise fees, and to establish
14 rates, rules, and regulations for franchises granted; and to provide for the leasing as
15 lessor to the State or any political subdivision or other agency thereof, or to any
16 county agency, or to any person, any property belonging to the county or any agency
17 thereof, in furtherance of the public purposes of such county or agency, upon such
18 terms and compensation as said county may deem proper, and after such disposition,
19 grant or lease shall have been advertised once a week for three successive weeks in
20 one or more newspapers of general circulation published in said county, stating the
21 terms thereof and the compensation to be received therefor, and giving opportunity
22 for objections thereto. Provided, however, that easements for public utilities may be
23 granted without advertisement.

24

Article - Tax - Property

25 9-241.

26 (A) THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION
27 EXERCISING ITS AUTHORITY TO GRANT FRANCHISES FOR CABLE TELEVISION
28 SYSTEMS UNDER ARTICLE 23A, § 2(B)(13) OF THE CODE, ARTICLE 25, § 3(C) OF THE
29 CODE, OR ARTICLE 25A, § 5(B) OF THE CODE MAY GRANT, BY LAW, A TAX CREDIT
30 AGAINST THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON
31 THE PROPERTY OF A TECHNOLOGY COMPANY THAT INVESTS OR OFFERS BUNDLED
32 TECHNOLOGY SERVICES AT DISCOUNTED RATES IN A TECHNOLOGY EMPOWERMENT
33 ZONE AS DESCRIBED IN ARTICLE 24, § 15-101 OF THE CODE.

34 (B) THE GOVERNING BODY OF A COUNTY OR OF A MUNICIPAL CORPORATION
35 MAY PROVIDE, BY LAW, FOR:

36 (1) THE AMOUNT AND DURATION OF THE TAX CREDIT UNDER THIS
37 SECTION; AND

38 (2) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE CREDIT
39 UNDER THIS SECTION.

40 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
41 October 1, 2002.

