

BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 526

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “Loans or Grants” and substitute “Financial Assistance”; in lines 4 and 5, strike “economic development loans or grants” and substitute “financial assistance”; in line 5, strike “by a public or quasi-public State agency” and substitute “under the Economic Development Opportunities Program Fund and the Maryland Economic Development Assistance Authority and Fund to”; in line 6, after “goals” insert “under certain circumstances”; in line 7, strike “loan or grant” and substitute “financial assistance”; strike beginning with “expanding” in line 8 down through “term” in line 9 and substitute “authorizing the Department of Business and Economic Development to require certain recipients of financial assistance to submit certain information; requiring the Department to submit an annual report to a certain committee; defining certain terms; providing for a delayed effective date”; in line 10, after “to” insert “financial assistance for”; in the same line, strike “loans”; in line 11, strike “or grants”; in the same line, strike “by public or quasi-public State agencies” and substitute “under the Economic Development Opportunities Program Fund and the Maryland Economic Development Assistance Authority and Fund”; strike lines 12 through 16, inclusive, and substitute:

“BY renumbering

Article 83A - Business and Economic Development

Section 5-1411

to be Section 5-1412

Annotated Code of Maryland

(1998 Replacement Volume and 2002 Supplement)”;

strike line 18 in its entirety and substitute “Article 83A - Business and Economic Development”; in line 19, strike “14-306” and substitute “5-1411”; in line 21, strike “2001” and substitute “1998”; in line 22, strike “repealing and reenacting, with amendments,” and substitute “adding to”; and in line 24, strike “14-309” and substitute “7-314(q)”.

(Over)

AMENDMENT NO. 2

On page 1, after line 26, insert:

“SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 5-1411 of Article 83A - Business and Economic Development of the Annotated Code of Maryland be renumbered to be Section(s) 5-1412.”;

in line 27, strike “1.” and substitute “2.”; in lines 27 and 28, strike “BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND” and substitute “AND BE IT FURTHER ENACTED”; and after line 28, insert:

“Article 83A - Business and Economic Development

5-1411.

(A) (1) THIS SECTION APPLIES TO FINANCIAL ASSISTANCE UNDER THIS SUBTITLE THAT EXCEEDS \$100,000.

(2) THIS SECTION DOES NOT APPLY TO FINANCIAL ASSISTANCE USED SOLELY FOR THE PURPOSE OF ACQUIRING REAL PROPERTY OR STRUCTURES ON REAL PROPERTY.

(B) WITH RESPECT TO FINANCIAL ASSISTANCE UNDER THIS SUBTITLE TO A LOCAL GOVERNMENT:

(1) IF THE LOCAL GOVERNMENT HAS A PROGRAM FOR PROMOTING PROCUREMENT OPPORTUNITIES AMONG MINORITY BUSINESSES THAT IS ACCEPTABLE TO THE DEPARTMENT, THE LOCAL GOVERNMENT SHALL APPLY THE REQUIREMENTS OF THAT PROGRAM TO THE PROCUREMENT OF GOODS OR SERVICES MADE WITH THE PROCEEDS OF THE FINANCIAL ASSISTANCE.

(2) IF THE LOCAL GOVERNMENT DOES NOT HAVE A PROGRAM THAT MEETS THE STANDARDS UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE LOCAL GOVERNMENT IS SUBJECT TO SUBSECTION (C) OF THIS SECTION.

(C) (1) IN THIS SUBSECTION, “MINORITY BUSINESS ENTERPRISE” MEANS:

(I) AN INDIVIDUAL WHO HAS A SOCIAL OR ECONOMIC IMPEDIMENT THAT:

1. IS BEYOND THE PERSONAL CONTROL OF THE INDIVIDUAL, SUCH AS FINANCIAL CAPACITY, GEOGRAPHICAL OR REGIONAL ECONOMIC DISTRESS, OR LACK OF FORMAL EDUCATION; AND

2. DOES NOT LIMIT THE ABILITY OF THE INDIVIDUAL TO PROVIDE THE REQUIRED GOODS OR SERVICES; OR

(II) A BUSINESS ENTITY THAT IS AT LEAST 51% OWNED AND CONTROLLED BY INDIVIDUALS WHO MEET THE STANDARDS UNDER ITEM (I) OF THIS PARAGRAPH.

(2) WITH RESPECT TO FINANCIAL ASSISTANCE UNDER THIS SUBTITLE TO AN ENTITY OTHER THAN A LOCAL GOVERNMENT, THE ENTITY SHALL AGREE TO INCLUDE IN THE AGREEMENT PROVIDING THE FINANCIAL ASSISTANCE A PROVISION ACCEPTABLE TO THE DEPARTMENT THAT WOULD ENCOURAGE THE PROCUREMENT FROM MINORITY BUSINESS ENTERPRISES OF GOODS OR SERVICES PURCHASED WITH THE PROCEEDS OF THE FINANCIAL ASSISTANCE.

(3) IN NEGOTIATING THE PROVISION REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE DEPARTMENT SHALL TAKE INTO ACCOUNT RELEVANT FACTORS, INCLUDING:

(I) THE INTENDED USE OF THE PROCEEDS OF THE FINANCIAL ASSISTANCE; AND

(II) THE FEASIBILITY OF OBTAINING THE REQUIRED GOODS OR SERVICES FROM MINORITY BUSINESS ENTERPRISES.

(D) THE DEPARTMENT MAY REQUIRE THAT A RECIPIENT OF FINANCIAL ASSISTANCE UNDER THIS SUBTITLE SUBMIT TO THE DEPARTMENT A LIST, OR AN

UPDATED LIST, OF THE MINORITY BUSINESS ENTERPRISES FROM WHICH GOODS OR SERVICES WERE PROCURED AND THE NATURE AND DOLLAR AMOUNT OF THE GOODS OR SERVICES.”.

AMENDMENT NO. 3

On pages 2 through 10, strike in their entirety the lines beginning with line 2 on page 2 through line 12 on page 10, inclusive, and substitute:

“7-314.

(Q) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(II) “FINANCIAL ASSISTANCE” MEANS A GRANT, LOAN, OR INVESTMENT PROVIDED UNDER THIS SUBSECTION THAT EXCEEDS \$100,000.

(III) “POLITICAL SUBDIVISION” INCLUDES AN AGENCY OR OTHER INSTRUMENTALITY OF THE POLITICAL SUBDIVISION.

(2) THIS SUBSECTION DOES NOT APPLY TO FINANCIAL ASSISTANCE USED SOLELY FOR THE PURPOSE OF ACQUIRING REAL PROPERTY OR STRUCTURES ON REAL PROPERTY.

(3) WITH RESPECT TO FINANCIAL ASSISTANCE UNDER THIS SECTION TO A POLITICAL SUBDIVISION:

(I) IF THE POLITICAL SUBDIVISION HAS A PROGRAM FOR PROMOTING PROCUREMENT OPPORTUNITIES AMONG MINORITY BUSINESSES THAT IS ACCEPTABLE TO THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT, THE POLITICAL SUBDIVISION SHALL APPLY THE REQUIREMENTS OF THAT PROGRAM TO THE PROCUREMENT OF GOODS OR SERVICES MADE WITH THE PROCEEDS OF THE FINANCIAL ASSISTANCE.

(II) IF THE POLITICAL SUBDIVISION DOES NOT HAVE A PROGRAM THAT MEETS THE STANDARDS OF SUBPARAGRAPH (I) OF THIS

PARAGRAPH, THE POLITICAL SUBDIVISION IS SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION.

(4) (I) IN THIS PARAGRAPH, “MINORITY BUSINESS ENTERPRISE” MEANS:

1. AN INDIVIDUAL WHO HAS A SOCIAL OR ECONOMIC IMPEDIMENT THAT:

A. IS BEYOND THE PERSONAL CONTROL OF THE INDIVIDUAL, SUCH AS FINANCIAL CAPACITY, GEOGRAPHICAL OR REGIONAL ECONOMIC DISTRESS, OR LACK OF FORMAL EDUCATION; AND

B. DOES NOT LIMIT THE ABILITY OF THE INDIVIDUAL TO PROVIDE THE REQUIRED GOODS OR SERVICES; OR

2. A BUSINESS ENTITY THAT IS AT LEAST 51% OWNED AND CONTROLLED BY INDIVIDUALS WHO MEET THE STANDARDS UNDER ITEM 1 OF THIS SUBPARAGRAPH.

(II) WITH RESPECT TO FINANCIAL ASSISTANCE UNDER THIS SECTION TO AN ENTITY OTHER THAN A POLITICAL SUBDIVISION, THE ENTITY SHALL AGREE TO INCLUDE IN THE AGREEMENT PROVIDING THE FINANCIAL ASSISTANCE A PROVISION ACCEPTABLE TO THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT THAT WOULD ENCOURAGE THE PROCUREMENT FROM MINORITY BUSINESS ENTERPRISES OF GOODS OR SERVICES PURCHASED WITH THE PROCEEDS OF THE FINANCIAL ASSISTANCE.

(III) IN NEGOTIATING THE PROVISION REQUIRED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT SHALL TAKE INTO ACCOUNT RELEVANT FACTORS, INCLUDING:

(Over)

1. THE INTENDED USE OF THE PROCEEDS OF THE FINANCIAL ASSISTANCE; AND
2. THE FEASIBILITY OF OBTAINING THE REQUIRED GOODS OR SERVICES FROM MINORITY BUSINESS ENTERPRISES.

(5) THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT MAY REQUIRE THAT A RECIPIENT OF FINANCIAL ASSISTANCE UNDER THIS SECTION SUBMIT TO THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT A LIST, OR AN UPDATED LIST, OF THE MINORITY BUSINESS ENTERPRISES FROM WHICH GOODS OR SERVICES WERE PROCURED AND THE NATURE AND DOLLAR AMOUNT OF THE GOODS OR SERVICES.

SECTION 3. AND BE IT FURTHER ENACTED, That the Department of Business and Economic Development shall report, on or before September 1 of each year, in accordance with § 2-1246 of the State Government Article to the Joint Committee on Fair Practices on the results of the implementation of the provisions of this Act.”;

in line 13, strike “2.” and substitute “4.”; and in line 14, strike “October 1, 2003” and substitute “January 1, 2004”.