

HOUSE BILL 1051

C8

8lr0699

By: **The Speaker (By Request - Department of Legislative Services - Code Revision)**

Introduced and read first time: February 7, 2008

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 15, 2008

CHAPTER _____

1 AN ACT concerning

2 **Economic Development - Cross-References ~~and Corrections~~, Corrections,**
3 **and Modifications**

4 FOR the purpose of correcting certain cross-references to the Economic Development
5 Article in the Annotated Code of Maryland; correcting certain cross-references,
6 errors, and omissions in and relating to the Economic Development Article;
7 clarifying the application of certain provisions; repealing certain obsolete and
8 redundant provisions, including provisions relating to certain industrial
9 development bonds, the dissolution of certain units, and compliance with
10 certain requirements; altering certain reporting dates; providing for the removal
11 of certain members of certain units in a certain manner; providing for the
12 appointment of certain members of certain units in a certain manner;
13 authorizing the Board of Directors of the Maryland Economic Development
14 Corporation to determine certain matters; altering and repealing certain
15 definitions; providing for the oversight of certain matters by the Secretary of the
16 Environment; clarifying the authority of the governing bodies of certain political
17 subdivisions over certain matters; making stylistic changes; providing for the
18 termination of a certain provision of this Act, subject to a certain contingency;
19 and generally relating to the Economic Development Article and
20 cross-references ~~and corrections~~, corrections, and modifications to it.

21 BY repealing and reenacting, with amendments,

22 Article 1 - Rules of Interpretation

23 Section 25

24 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (2005 Replacement Volume and 2007 Supplement)

2 BY repealing and reenacting, with amendments,
 3 Article 2B – Alcoholic Beverages
 4 Section 8–202.1(j)(3)(iv) and (k)(2)(iv), 9–102(h–1)(1)(ii)2.D. and (2)(ii)2.D., and
 5 9–102.1(b)(3)
 6 Annotated Code of Maryland
 7 (2005 Replacement Volume and 2007 Supplement)

8 BY repealing and reenacting, with amendments,
 9 Article – Courts and Judicial Proceedings
 10 Section 5–521(a)(3) and (4) and (b)
 11 Annotated Code of Maryland
 12 (2006 Replacement Volume and 2007 Supplement)

13 BY repealing and reenacting, with amendments,
 14 Article – Economic Development
 15 Section 2–207(a), 4–205, 4–206, 4–603(b)(1)(i) through (iii), 5–103(c), 5–415(a),
 16 5–432, 5–437(a), 5–603(b)(1), 5–1001(b), 10–107, 10–108, 10–109(c)(4),
 17 10–111(c), 10–130(c)(1), 10–207(c) and (d), 10–211(c), 10–301(g)(1)(iv)2.,
 18 10–324(c)(1), 10–408(7)(iii), 10–620(d)(4)(iii), 10–643(f)(1)(i)3.B., 11–307,
 19 12–109(a)(2)(i), 12–209(b)(2), 12–211(a), 12–308(b)(2), and 13–202
 20 Annotated Code of Maryland
 21 (As enacted by Ch. ___ (H.B. 1050) of the Acts of the General Assembly of 2008)

22 BY adding to
 23 Article – Economic Development
 24 Section 4–204(d)(4)
 25 Annotated Code of Maryland
 26 (As enacted by Ch. ___ (H.B. 1050) of the Acts of the General Assembly of 2008)

27 BY repealing
 28 Article – Economic Development
 29 Section 10–201(k) and 10–433; 12–401 through 12–409 and the subtitle
 30 “Subtitle 4. Industrial Development Bonds”; and 13–417, 13–615, 13–715,
 31 13–811, 13–911, and 13–1011
 32 Annotated Code of Maryland
 33 (As enacted by Ch. ___ (H.B. 1050) of the Acts of the General Assembly of 2008)

34 BY repealing and reenacting, with amendments,
 35 Article – Education
 36 Section 7–203.1(a)(1), 16–302.1(a)(2), and 18–303.1(g)(2)
 37 Annotated Code of Maryland
 38 (2006 Replacement Volume and 2007 Supplement)

39 BY repealing and reenacting, with amendments,
 40 Article – Environment
 41 Section 7–507

- 1 Annotated Code of Maryland
2 (2007 Replacement Volume and 2007 Supplement)
- 3 BY repealing and reenacting, with amendments,
4 Article – Financial Institutions
5 Section 13–801(h)
6 Annotated Code of Maryland
7 (2003 Replacement Volume and 2007 Supplement)
- 8 BY repealing and reenacting, with amendments,
9 Article – Health – General
10 Section 13–1101(p), 19–222(g)(3)(iii), and 19–223
11 Annotated Code of Maryland
12 (2005 Replacement Volume and 2007 Supplement)
- 13 BY repealing and reenacting, with amendments,
14 Article – Insurance
15 Section 6–114 and 6–119
16 Annotated Code of Maryland
17 (2003 Replacement Volume and 2007 Supplement)
- 18 BY repealing and reenacting, with amendments,
19 Article – Insurance
20 Section 14–111
21 Annotated Code of Maryland
22 (2006 Replacement Volume and 2007 Supplement)
- 23 BY repealing and reenacting, with amendments,
24 Article – State Finance and Procurement
25 Section 2–206(a)(3), 2–207(a)(4), 5–7B–01(c)(1)(iii), 5–7B–02(3), and
26 11–203(a)(1)(v)
27 Annotated Code of Maryland
28 (2006 Replacement Volume and 2007 Supplement)
- 29 BY repealing and reenacting, with amendments,
30 Article – State Government
31 Section 9–1021(c)
32 Annotated Code of Maryland
33 (2004 Replacement Volume and 2007 Supplement)
- 34 BY repealing and reenacting, with amendments,
35 Article – Tax – General
36 Section 2–1303, 4–103(a)(5), 4–104(e)(1), 8–201(b), 8–214, 8–220, 8–411,
37 10–207(v)(1), 10–702(a)(3) and (6), (b), (c), and (e)(1), 10–704.4, 10–714,
38 10–722(a)(8)(ii) and (iii), 11–102(b)(2), and 11–227(b)
39 Annotated Code of Maryland
40 (2004 Replacement Volume and 2007 Supplement)

1 BY repealing and reenacting, with amendments,
 2 Article – Tax – Property
 3 Section 7–504.4(a), 9–103(a)(6) and (e)(3), 9–229(a)(3), (b)(1)(i), and (c)(2),
 4 9–230(d)(2)(vii) and (viii), 9–240(a), 9–318(d)(2)(ii)3., 10–202(a)(3),
 5 12–108(a)(2) and (aa), 13–403.1, and 14–902(a)(2)
 6 Annotated Code of Maryland
 7 (2007 Replacement Volume)

8 BY repealing
 9 The article designation “Article 45A – Industrial Development”
 10 Annotated Code of Maryland
 11 (2003 Replacement Volume and 2007 Supplement)

12 BY repealing
 13 The article designation “Article 78D – Baltimore Metropolitan Council”
 14 Annotated Code of Maryland
 15 (2003 Replacement Volume and 2007 Supplement)

16 BY repealing
 17 The article designation “Article 83A – Department of Business and Economic
 18 Development”
 19 Annotated Code of Maryland
 20 (2003 Replacement Volume and 2007 Supplement)

21 BY repealing
 22 Article 41 – Governor – Executive and Administrative Departments
 23 The title designation “Title 13. Miscellaneous Statewide Development and
 24 Assistance Programs”
 25 Annotated Code of Maryland
 26 (2003 Replacement Volume and 2007 Supplement)

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

29 **Article 1 – Rules of Interpretation**

30 **25.**

31 (a) Unnumbered revised articles of the Annotated Code of Maryland may be
 32 cited as stated in this section.

33 (b) A section of the Agriculture Article may be cited as: “§ _____ of the
 34 Agriculture Article”.

35 (c) A section of the Business Occupations and Professions Article may be
 36 cited as: “§ _____ of the Business Occupations and Professions Article”.

1 (d) A section of the Business Regulation Article may be cited as: “§ ___ of the
2 Business Regulation Article”.

3 (e) A section of the Commercial Law Article may be cited as: “§ ___ of the
4 Commercial Law Article”.

5 (f) A section of the Corporations and Associations Article may be cited as:
6 “§ ___ of the Corporations and Associations Article”.

7 (g) A section of the Correctional Services Article may be cited as: “§ ___ of the
8 Correctional Services Article”.

9 (h) A section of the Courts and Judicial Proceedings Article may be cited as:
10 “§ ___ of the Courts Article”.

11 (i) A section of the Criminal Law Article may be cited as: “§ ___ of the
12 Criminal Law Article”.

13 (j) A section of the Criminal Procedure Article may be cited as: “§ ___ of the
14 Criminal Procedure Article”.

15 **(K) A SECTION OF THE ECONOMIC DEVELOPMENT ARTICLE MAY BE**
16 **CITED AS: “§ ___ OF THE ECONOMIC DEVELOPMENT ARTICLE”.**

17 [(k)] **(L)** A section of the Education Article may be cited as: “§ ___ of the
18 Education Article”.

19 [(l)] **(M)** A section of the Election Law Article may be cited as: “§ ___ of the
20 Election Law Article”.

21 [(m)] **(N)** A section of the Environment Article may be cited as: “§ ___ of the
22 Environment Article”.

23 [(n)] **(O)** A section of the Estates and Trusts Article may be cited as: “§ ___ of
24 the Estates and Trusts Article”.

25 [(o)] **(P)** A section of the Family Law Article may be cited as: “§ ___ of the
26 Family Law Article”.

27 [(p)] **(Q)** A section of the Financial Institutions Article may be cited as:
28 “§ ___ of the Financial Institutions Article”.

29 [(q)] **(R)** A section of the Health – General Article may be cited as: “§ ___ of
30 the Health – General Article”.

31 [(r)] **(S)** A section of the Health Occupations Article may be cited as: “§ ___
32 of the Health Occupations Article”.

1 [(s)] (T) A section of the Housing and Community Development Article may
2 be cited as: “§ _____ of the Housing and Community Development Article”.

3 [(t)] (U) A section of the Human Services Article may be cited as: “§ _____ of
4 the Human Services Article”.

5 [(u)] (V) A section of the Insurance Article may be cited as: “§ _____ of the
6 Insurance Article”.

7 [(v)] (W) A section of the Labor and Employment Article may be cited as:
8 “§ _____ of the Labor and Employment Article”.

9 [(w)] (X) A section of the Natural Resources Article may be cited as: “§ _____ of
10 the Natural Resources Article”.

11 [(x)] (Y) A section of the Public Safety Article may be cited as: “§ _____ of the
12 Public Safety Article”.

13 [(y)] (Z) A section of the Public Utility Companies Article may be cited as:
14 “§ _____ of the Public Utility Companies Article”.

15 [(z)] (AA) A section of the Real Property Article may be cited as: “§ _____ of the
16 Real Property Article”.

17 [(aa)] (BB) A section of the State Finance and Procurement Article may be
18 cited as: “§ _____ of the State Finance and Procurement Article”.

19 [(bb)] (CC) A section of the State Government Article may be cited as: “§ _____ of
20 the State Government Article”.

21 [(cc)] (DD) A section of the State Personnel and Pensions Article may be cited
22 as: “§ _____ of the State Personnel and Pensions Article”.

23 [(dd)] (EE) A section of the Tax – General Article may be cited as: “§ _____ of the
24 Tax – General Article”.

25 [(ee)] (FF) A section of the Tax – Property Article may be cited as: “§ _____ of the
26 Tax – Property Article”.

27 [(ff)] (GG) A section of the Transportation Article may be cited as: “§ _____ of the
28 Transportation Article”.

29 **Article 2B – Alcoholic Beverages**

30 8–202.1.

1 (j) A licensee may be issued a second license if:

2 (3) The restaurant for which the license is sought is located in:

3 (iv) The Baltimore–Washington International Thurgood
4 Marshall Airport State Priority Funding Area, as designated by Anne Arundel County
5 in accordance with [Article 83A, § 5–1101(k)(6) of the Code] § **6–301(F)(8) OF THE**
6 **ECONOMIC DEVELOPMENT ARTICLE;**

7 (k) A licensee may be issued a third license if:

8 (2) The restaurant for which the license is sought is located in:

9 (iv) The Baltimore–Washington International Thurgood
10 Marshall Airport State Priority Funding Area, as designated by Anne Arundel County
11 in accordance with [Article 83A, § 5–1101(k)(6) of the Code] § **6–301(F)(8) OF THE**
12 **ECONOMIC DEVELOPMENT ARTICLE;**

13 9–102.

14 (h–1) (1) In Anne Arundel County, a current holder of a Class H alcoholic
15 beverages license, or a holder as of June 1, 2002 of a Class B alcoholic beverages
16 license that has a restriction prohibiting off–sales, may be issued a second license by
17 the Anne Arundel County Board of License Commissioners if:

18 (ii) Either the restaurant for which the Class H license under
19 item (i) of this paragraph is sought or to which the original Class B or Class H license
20 applies is located within:

21 2. One of the following locations as they existed on
22 October 1, 1999:

23 D. The Baltimore–Washington International Thurgood
24 Marshall Airport State Priority Funding Area, as designated by Anne Arundel County
25 in accordance with [Article 83A, § 5–1101(k)(6) of the Code] § **6–301(F)(8) OF THE**
26 **ECONOMIC DEVELOPMENT ARTICLE;**

27 (2) A person who does not hold a retail alcoholic beverages license in
28 Anne Arundel County may be issued a maximum of two licenses by the Anne Arundel
29 County Board of License Commissioners if:

30 (ii) The restaurant for which one of the Class H licenses under
31 item (i) of this paragraph is sought is located within:

32 2. One of the following locations as they existed on
33 October 1, 1999:

1 D. The Baltimore–Washington International Thurgood
2 Marshall Airport State Priority Funding Area, as designated by Anne Arundel County
3 in accordance with [Article 83A, § 5–1101(k)(6) of the Code] § **6–301(F)(8) OF THE**
4 **ECONOMIC DEVELOPMENT ARTICLE**;

5 9–102.1.

6 (b) (3) “Enterprise zone” has the meaning [specified] **STATED** in [Article
7 83A, § 5–401(f) of the Code] § **5–701 OF THE ECONOMIC DEVELOPMENT ARTICLE**.

8 **Article – Courts and Judicial Proceedings**

9 5–521.

10 (a) (3) “Eligible business” has the meaning stated in [Article 83A, § 5–927
11 of the Code] § **5–451 OF THE ECONOMIC DEVELOPMENT ARTICLE**.

12 (4) “Lender” has the meaning stated in [Article 83A, § 5–927 of the
13 Code] § **5–451 OF THE ECONOMIC DEVELOPMENT ARTICLE**.

14 (b) The Department and the State are not liable to any lender for payment of
15 the principal or interest on a loan to an eligible business in accordance with [Article
16 83A, § 5–927 of the Code] § **5–451 OF THE ECONOMIC DEVELOPMENT ARTICLE**.

17 **Article – Economic Development**

18 2–207.

19 (a) On or before [December 31] **JANUARY 15** of each year, the Commission
20 shall report to the General Assembly, in accordance with § 2–1246 of the State
21 Government Article, on its activities during the previous year.

22 4–204.

23 (d) (4) **A PRIVATE BUSINESS COMMUNITY MEMBER APPOINTED BY**
24 **THE PRESIDENT OF THE SENATE OR THE SPEAKER OF THE HOUSE MAY BE**
25 **REMOVED BY THE APPOINTING OFFICER WITH OR WITHOUT CAUSE.**

26 4–205.

27 [(1)] (A) Each year the Board shall elect a chair, five vice chairs, and
28 a secretary–treasurer from among its members.

1 [(2)] (B) Of the five vice chairs, there shall be one representative each
2 from the lodging, food service, transportation, retail, and amusements and attractions
3 sectors.

4 4-206.

5 [(1)] (A) The director of the Office is the Executive Director of the
6 Board as part of the regular duties of the director of the Office.

7 [(2)] (B) The director may not receive additional compensation for
8 serving as Executive Director of the Board.

9 4-603.

10 (b) (1) The Commission consists of the following 11 members:

11 (i) AS DESIGNATED BY THE CHAIR OF THE COUNCIL,
12 EITHER the Executive Director or a member of the Maryland State Arts Council
13 established under Subtitle 5 of this title;

14 (ii) AS DESIGNATED BY THE CHAIR OF THE TRUST, EITHER
15 the Director or a member of the Maryland Historical Trust established under Title 5A,
16 Subtitle 3 of the State Finance and Procurement Article;

17 (iii) AS DESIGNATED BY THE STATE ARCHIVIST, EITHER the
18 State Archivist or a member of the Commission on Artistic Property established under
19 Title 9, Subtitle 10 of the State Government Article;

20 5-103.

21 (c) Subject to subsections (d) and (e) of this section, the Secretary may
22 transfer money to the Economic Development Opportunities Program [Fund]
23 ACCOUNT established under § 7-314 of the State Finance and Procurement Article
24 from any of the accounts that are:

25 (1) in the Department or subject to its control; and

26 (2) used to provide financial support of any kind.

27 5-415.

28 (a) The Authority may approve, or may authorize the [executive director]
29 EXECUTIVE DIRECTOR to approve, the form of an agreement by the Authority under
30 this subtitle.

31 5-432.

1 [(a)] The portion of the aggregate principal amount of bonds and authorized
2 purpose obligations that the Fund insures at any time may not exceed 5 times the
3 Fund balance.

4 5-437.

5 (a) [(1)] The Authority may authorize the Executive Director of the
6 Authority to approve, on behalf of the Authority, financial assistance under § 5-431 of
7 this subtitle not exceeding the aggregate amount of \$250,000 for a single transaction.

8 5-603.

9 (b) (1) Whenever the Department is authorized by law to make a grant,
10 including a grant **FROM THE ECONOMIC DEVELOPMENT OPPORTUNITIES**
11 **PROGRAM ACCOUNT** authorized under § 7-314 of the State Finance and
12 Procurement Article, the Department may use money appropriated for the grant to
13 make an equity investment in a business enterprise.

14 5-1001.

15 (b) “Service-disabled veteran” means a veteran with a disability that is
16 service-connected, as defined in 38 U.S.C. § 101(16)[, who was domiciled in the State
17 when the service-connected disability was incurred].

18 10-107.

19 (A) From among its members, the Board shall elect a chair, a vice chair, and
20 a treasurer.

21 (B) **THE BOARD SHALL DETERMINE THE MANNER OF ELECTION OF**
22 **OFFICERS AND THEIR TERMS OF OFFICE.**

23 10-108.

24 (a) (1) Seven members of the Board are a quorum.

25 [(b)] (2) An affirmative vote of at least seven members is needed for the
26 Board to act.

27 (B) **THE BOARD SHALL DETERMINE THE TIMES AND PLACES OF ITS**
28 **MEETINGS.**

29 10-109.

30 (c) The Executive Director, or the Executive Director’s designee, shall:

1 (4) approve all salaries, per diem payments, and allowable expenses of
2 the Corporation, its [employees] **EMPLOYEES**, and its consultants;

3 10-111.

4 (c) [For purposes of making agreements in connection with loans, grants,
5 insurance, or other financial assistance, the] **THE** Corporation is a public body under
6 Title 5, Subtitle 4 of this article, the Maryland Industrial Development Financing
7 Authority Act, **FOR PURPOSES OF APPLYING FOR, RECEIVING, AND MAKING**
8 **AGREEMENTS IN CONNECTION WITH:**

9 (1) **A LOAN;**

10 (2) **A GRANT;**

11 (3) **INSURANCE; OR**

12 (4) **ANY OTHER FORM OF FINANCIAL ASSISTANCE.**

13 10-130.

14 (c) (1) The Fund is a continuing, nonlapsing fund that is not subject to
15 **REVERSION UNDER § 7-302 of the State Finance and Procurement Article.**

16 10-201.

17 [(k) “Seafood” includes edible and inedible fish and shellfish.]

18 10-207.

19 (c) A development or project is subject to applicable State health laws and
20 regulations of the Secretary of Health and Mental Hygiene **AND THE SECRETARY OF**
21 **THE ENVIRONMENT.**

22 (d) [(1)] A development or project is subject to all zoning and subdivision
23 regulations of the political subdivision in which the development or project is located.

24 [(2) If required by this subtitle, the Authority shall:

25 (i) obtain any applicable licenses and permits from the political
26 subdivision where a development or project is located; and

27 (ii) follow any required procedures.]

28 10-211.

1 (c) The Authority may not acquire a site under this section for the
2 establishment or construction of a development, or establish or construct a
3 development on a site, unless the site is approved:

4 (1) for Baltimore City, by the Board of Estimates; and

5 (2) for any other political subdivision, by the county commissioners,
6 county executive, or in a charter county without a county executive, the county
7 council, OR IN A MUNICIPAL CORPORATION, BY ITS GOVERNING BODY.

8 10-301.

9 (g) (1) “Health care institution” means an institution in the State that is
10 operated by a person, a local government, or, subject to paragraph (3) of this
11 subsection, the State, is available to the public, and is:

12 (iv) except as provided in paragraph (3) of this subsection:

13 2. a not-for-profit life care or continuing care
14 community that provides [self-continued] SELF-CONTAINED residence facilities for
15 the retired or elderly;

16 10-324.

17 (c) In addition to the provisions described in [§ 10-323(b)] § **10-323(H)** of
18 this subtitle, the trust agreement may contain:

19 (1) either:

20 (i) a provision conveying or mortgaging all or a portion of the
21 project; or

22 (ii) a provision creating a collateral account;

23 10-408.

24 The Corporation may:

25 (7) acquire, purchase, hold, lease as lessee, and use:

26 (iii) an interest in the property listed in this item; [and]

27 [10-433.

28 (a) The authority of the Secretary over plans, proposals, and projects of units
29 in the Department does not include the authority to disapprove or modify any decision

1 or determination that the Commission makes under authority specifically delegated by
2 law to the Commission.

3 (b) The authority of the Secretary to transfer by regulation or written
4 directive any staff, functions, or money of units in the Department does not apply to
5 any staff, functions, or money of the Commission.]

6 10-620.

7 (d) (4) Lease payments to the Authority appropriated by the State shall
8 be transferred to:

9 (iii) the Hippodrome Performing Arts Fund if appropriated for a
10 Hippodrome Performing Arts facility[.];

11 10-643.

12 (f) (1) The Authority shall secure a written agreement with Ocean City,
13 as approved by the Board of Public Works:

14 (i) in which Ocean City agrees to:

15 3. be solely responsible for all operating deficits and
16 capital improvements:

17 B. after the repayment of the Ocean City Convention
18 facility bonds issued by the Authority[.]; AND

19 11-307.

20 [(a) From among its members, the Board shall elect a chair, a vice chair, and
21 a treasurer.

22 [(b) The chair, vice chair, and treasurer serve at the pleasure of the
23 Governor.]

24 12-109.

25 (a) (2) An authority may:

26 (i) receive money from its incorporating county or municipal
27 corporation, the State, other governmental units, or [not for profit] NOT-FOR-PROFIT
28 organizations;

29 12-209.

1 **(b) If bonds are outstanding with respect to a development district, the**
2 **special fund may be used as described in subsection (a) of this section in any fiscal**
3 **year only if:**

4 **(2) the special fund is not restricted so AS to prohibit the use.**

5 **12-211.**

6 **(a) The principal amount of bonds, interest payable on bonds, the transfer of**
7 **bonds, and income from bonds, including profit made in the sale or transfer of [bonds]**
8 **BONDS, is exempt from State and local taxes.**

9 **12-308.**

10 **(b) (2) [The signature of an officer who leaves office before delivery of the**
11 **bond is] AN OFFICER'S SIGNATURE OR FACSIMILE SIGNATURE ON A BOND**
12 **REMAINS valid [and sufficient for all purposes as] EVEN if the officer [had remained**
13 **in] LEAVES office [until delivery] BEFORE THE BOND IS DELIVERED.**

14 **13-202.**

15 **The Southern States Energy Compact is entered into by this State with other**
16 **states legally joining the compact in accordance with its terms, in the form**
17 **substantially as follows:**

18 **[(1) Article I. Policy and Purpose.**

19 **The party states recognize that the proper employment and conservation of**
20 **energy and employment of energy-related facilities, materials, and products, within**
21 **the context of a responsible regard for the environment, can assist substantially in the**
22 **industrialization of the South and the development of a balanced economy for the**
23 **region. They also recognize that optimum benefit from and acquisition of energy**
24 **resources and facilities require systematic encouragement, guidance, and assistance**
25 **from the party states on a cooperative basis. It is the policy of the party states to**
26 **undertake such cooperation on a continuing basis; it is the purpose of this compact to**
27 **provide the instruments and framework for such a cooperative effort to improve the**
28 **economy of the South and contribute to the individual and community well-being of**
29 **the region's people.**

30 **[(2) Article II. The Board.**

31 **(a) There is hereby created an agency of the party states to be known as the**
32 **"Southern States Energy Board" (hereinafter called the board). The board shall be**
33 **composed of three members from each party state, one of whom shall be appointed or**
34 **designated in each state to represent the governor, the state senate, and the state**
35 **house of delegates, respectively. Each member shall be designated or appointed in**
36 **accordance with the law of the state which the member represents and serving and**

1 subject to removal in accordance with such law. Any member of the board may provide
2 for the discharge of the member's duties and the performance of the member's
3 functions thereon (either for the duration of the membership or for any lesser period of
4 time) by a deputy or assistant, if the law of the member's state makes specific
5 provision therefore. The federal government may be represented without vote if
6 provision is made by federal law for such representation.

7 (b) Each party state shall be entitled to one vote on the board, to be
8 determined by majority vote of each member or member's representative from the
9 party state present and voting on any question. No action of the board shall be binding
10 unless taken at a meeting at which a majority of all party states are represented and
11 unless a majority of the total number of votes on the board are cast in favor thereof.

12 (c) The board shall have a seal.

13 (d) The board shall elect annually, from among its members, a chairman,
14 vice-chairman, and a treasurer. The board shall appoint an executive director who
15 shall serve at its pleasure and who shall also act as secretary, and who, together with
16 the treasurer, shall be bonded in such amounts as the board may require.

17 (e) The executive director, with the approval of the board, shall appoint and
18 remove or discharge such personnel as may be necessary for the performance of the
19 board's functions irrespective of the civil service, personnel or other merit system laws
20 of any of the party states.

21 (f) The board may establish and maintain, independently or in conjunction
22 with any one or more of the party states, a suitable retirement system for its full-time
23 employees. Employees of the board shall be eligible for Social Security coverage in
24 respect of old-age and survivors insurance provided that the board takes such steps as
25 may be necessary pursuant to federal law to participate in such program of insurance
26 as a governmental agency or unit. The board may establish and maintain or
27 participate in such additional programs of employee benefits as may be appropriate.

28 (g) The board may borrow, accept, or contract for the services of personnel
29 from any state of the United States or any subdivision or agency thereof, from any
30 interstate agency, or from any institution, person, firm or corporation.

31 (h) The board may accept for any of its purposes and functions under this
32 compact any and all donations, and grants of money, equipment, supplies, materials,
33 and services (conditional or otherwise) from any state or the United States or any
34 subdivision or agency thereof, or interstate agency, or from any institution, person,
35 firm, or corporation, and may receive, utilize and dispose of the same.

36 (i) The board may establish and maintain such facilities as may be
37 necessary for the transacting of its business. The board may acquire, hold, and convey
38 real and personal property and any interest therein.

1 (j) The board shall adopt bylaws, rules, and regulations for the conduct of its
2 business, and shall have the power to amend and rescind these bylaws, rules, and
3 regulations. The board shall publish its bylaws, rules, and regulations in convenient
4 form and shall file a copy thereof, and shall also file a copy of any amendment thereto,
5 with the appropriate agency or officer in each of the party states.

6 (k) The board annually shall make to the governor of each party state, a
7 report covering the activities of the board for the preceding year, and embodying such
8 recommendations as may have been adopted by the board, which report shall be
9 transmitted to the legislature of said state. The board may issue such additional
10 reports as it may deem desirable.

11 [(3)] Article III. Finances.

12 (a) The board shall submit to the executive head or designated officer or
13 officers of each party state a budget of its estimated expenditures for such period as
14 may be required by the laws of that jurisdiction for presentation to the legislature
15 thereof.

16 (b) Each of the board's budgets of estimated expenditures shall contain
17 specific recommendations of the amount or amounts to be appropriated by each of the
18 party states. One half of the total amount of each budget of estimated expenditures
19 shall be apportioned among the party states in equal shares; one quarter of each such
20 budget shall be apportioned among the party states in accordance with the ratio of
21 their populations to the total population of the entire group of party states based on
22 the last decennial federal census; and one quarter of each such budget shall be
23 apportioned among the party states on the basis of the relative average per-capita
24 income of the inhabitants in each of the party states based on the latest computations
25 published by the federal census-taking agency. Subject to appropriation by their
26 respective legislatures, the board shall be provided with such funds by each of the
27 party states as are necessary to provide the means of establishing and maintaining
28 facilities, a staff of personnel, and such activities as may be necessary to fulfill the
29 powers and duties imposed upon and entrusted to the board.

30 (c) The board may meet any of its obligations in whole or in part with funds
31 available to it under Article II (h) of this compact provided that the board takes
32 specific action setting aside such funds prior to the incurring of any obligation to be
33 met in whole or in part in this manner. Except where the board makes use of funds
34 available to it under Article II (h) hereof, the board shall not incur any obligation prior
35 to the allotment of funds by the party jurisdictions adequate to meet the same.

36 (d) The board shall keep accurate accounts of all receipts and disbursements.
37 The receipts and disbursements of the board shall be subject to the audit and
38 accounting procedures established under its bylaws. However, all receipts and
39 disbursements of funds handled by the board shall be audited yearly by a qualified
40 public accountant and the report of the audit shall be included in and become part of
41 the annual report of the board.

1 (e) The accounts of the board shall be open at any reasonable time for
2 inspection.

3 [(4)] Article IV. Advisory Committees.

4 The board may establish such advisory and technical committees as it may
5 deem necessary, membership on which to include but not be limited to private citizens,
6 expert and lay personnel, representatives of industry, labor, commerce, agriculture,
7 civic associations, medicine, education, voluntary health agencies, and officials of local,
8 state and federal government, and may cooperate with and use the services of any
9 such committees and the organizations which they represent in furthering any of its
10 activities under this compact.

11 [(5)] Article V. Powers.

12 The board shall have the power to:

13 (a) ascertain and analyze on a continuing basis the position of the South
14 with respect to energy, energy-related industries, and environmental concerns.

15 (b) encourage the development, conservation, and responsible use of energy
16 and energy-related facilities, installations, and products as part of a balanced
17 economy and healthy environment.

18 (c) collect, correlate, and disseminate information relating to civilian use of
19 energy and energy-related materials and products.

20 (d) conduct, or cooperate in conducting, programs of training for state and
21 local personnel engaged in any aspect of:

22 (1) energy, environment, and application of energy, environmental,
23 and related concerns to industry, medicine, or education or the promotion or
24 regulation thereof.

25 (2) the formulation or administration of measures designed to promote
26 safety in any matter related to the development, use, or disposal of energy and
27 energy-related materials, products, installations, or wastes.

28 (e) organize and conduct, or assist and cooperate in organizing and
29 conducting, demonstrations of energy product, material, or equipment use and
30 disposal and of proper techniques or processes for the application of energy resources
31 to the civilian economy or general welfare.

32 (f) undertake such nonregulatory functions with respect to sources of
33 radiation as may promote the economic development and general welfare of the region.

1 (g) study industrial, health, safety, and other standards, laws, codes, rules,
2 regulations, and administrative practices in or related to energy and environmental
3 fields.

4 (h) recommend such changes in, or amendments or additions to the laws,
5 codes, rules, regulations, administrative procedures and practices or ordinances of the
6 party states in any of the fields of its interest and competence as in its judgment may
7 be appropriate. Any such recommendation shall be made through the appropriate
8 state agency with due consideration of the desirability of uniformity but shall also give
9 appropriate weight to any special circumstance which may justify variations to meet
10 local conditions.

11 (i) prepare, publish and distribute (with or without charge) such reports,
12 bulletins, newsletters or other materials as it deems appropriate.

13 (j) cooperate with the United States Department of Energy or any agency
14 successor thereto, any other officer or agency of the United States, and any other
15 governmental unit or agency or officer thereof, and with any private persons or
16 agencies in any of the fields of its interest.

17 (k) act as licensee of the United States government or any party state with
18 respect to the conduct of any research activity requiring such license and operate such
19 research facility or undertake any program pursuant thereto.

20 (l) ascertain from time to time such methods, practices, circumstances, and
21 conditions as may bring about the prevention and control of energy and environmental
22 incidents in the area comprising the party states, to coordinate the nuclear,
23 environmental, and other energy-related incident prevention and control plans and
24 the work relating thereto of the appropriate agencies of the party states and to
25 facilitate the rendering of aid by the party states to each other in coping with energy
26 and environmental incidents. The board may formulate and, in accordance with need
27 from time to time, revise a regional plan or regional plans for coping with energy and
28 environmental incidents within the territory of the party states as a whole or within
29 any subregion or subregions of the geographic area covered by this compact.

30 **[(6)] Article VI. Supplementary Agreements.**

31 (a) To the extent that the board has not undertaken an activity or project
32 which would be within its power under the provisions of Article V of this compact, any
33 two or more of the party states (acting by their duly constituted administrative
34 officials) may enter into supplementary agreements for the undertaking and
35 continuance of such an activity or project. Any such agreement shall specify its
36 purpose or purposes; its duration and the procedure for termination thereof or
37 withdrawal therefrom; the method of financing and allocating the costs of the activity
38 or project; and such other matters as may be necessary or appropriate. No such
39 supplementary agreement entered into pursuant to this article shall become effective
40 prior to its submission to and approval by the board. The board shall give such

1 approval unless it finds that the supplementary agreement or the activity or project
2 contemplated thereby is inconsistent with the provisions of this compact or a program
3 or activity conducted by or participated in by the board.

4 (b) Unless all of the party states participate in a supplementary agreement,
5 any cost or costs thereof shall be borne separately by the states party thereto.
6 However, the board may administer or otherwise assist in the operation of any
7 supplementary agreement.

8 (c) No party to a supplementary agreement entered into pursuant to this
9 article shall be relieved thereby of any obligation or duty assumed by said party state
10 under or pursuant to this compact, except that timely and proper performance of such
11 obligation or duty by means of the supplementary agreement may be offered as
12 performance pursuant to the compact.

13 [(7)] Article VII. Other Laws and Relationships.

14 Nothing in this compact shall be construed to:

15 (a) permit or require any person or other entity to avoid or refuse compliance
16 with any law, rule, regulation, order or ordinance of a party state or subdivision
17 thereof now or hereafter made, enacted or in force.

18 (b) limit, diminish, or impair jurisdiction exercised by the United States
19 Department of Energy, any agency successor thereto, or any other federal department,
20 agency or officer pursuant to and in conformity with any valid and operative act of
21 Congress.

22 (c) alter the relations between and respective internal responsibilities of the
23 government of a party state and its subdivisions.

24 (d) permit or authorize the board to exercise any regulatory authority or to
25 own or operate any nuclear reactor for the generation of electric energy; nor shall the
26 board own or operate any facility or installation for industrial or commercial purposes.

27 [(8)] Article VIII. Eligible Parties, Entry into Force and Withdrawal.

28 (a) Any or all of the states of Alabama, Arkansas, Delaware, Florida,
29 Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina,
30 Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia, the
31 Commonwealth of Puerto Rico, and the United States Virgin Islands shall be eligible
32 to become party to this compact.

33 (b) As to any eligible party state, this compact shall become effective when
34 its legislature has enacted the same into law: Provided that it shall not become
35 initially effective until enacted into law by seven states.

1 (c) Any party state may withdraw from this compact by enacting a statute
2 repealing the same, but no such withdrawal shall become effective until the governor
3 of the withdrawing state shall have sent formal notice in writing to the governor of
4 each other party state informing said governors of the action of the legislature in
5 repealing the compact and declaring an intention to withdraw.

6 [(9)] Article IX. Severability and Construction.

7 The provisions of this compact and of any supplementary agreement entered
8 into hereunder shall be severable and if any phrase, clause, sentence or provision of
9 this compact or such supplementary agreement is declared to be contrary to the
10 constitution of any participating state or of the United States or the applicability
11 thereof to any government, agency, person, or circumstance is held invalid, the
12 validity of the remainder of this compact or such supplementary agreement and the
13 applicability thereof to any government, agency, person or circumstance shall not be
14 affected thereby. If this compact or any supplementary agreement entered into
15 hereunder shall be held contrary to the constitution of any state participating therein,
16 the compact or such supplementary agreement shall remain in full force and effect as
17 to the remaining states and in full force and effect as to the state affected as to all
18 severable matters. The provisions of this compact and of any supplementary
19 agreement entered into pursuant hereto shall be liberally construed to effectuate the
20 purposes thereof.

21 [13-417.

22 (a) (1) This section applies only if the Council is dissolved.

23 (2) This section does not apply to the disposition of money or other
24 assets of the State.

25 (b) After providing for the payment of its liabilities, the Council shall dispose
26 of its assets in a manner consistent with the purposes of the Council by transferring
27 the assets to an organization that:

28 (1) is organized and operated exclusively for charitable, educational,
29 religious, or scientific purposes; and

30 (2) qualifies as a tax exempt organization under § 501(c)(3) of the
31 Internal Revenue Code.

32 (c) In a manner consistent with subsection (b) of this section, the circuit
33 court for the county where the Council has its principal office shall dispose of any
34 assets that the Council fails to dispose of by interpleader or other appropriate action.]

35 [13-615.

36 (a) This section applies to the dissolution of the Council.

1 **(b) After providing for the payment of each liability of the Council, the**
2 **Council, as it determines, shall dispose of its assets exclusively:**

3 **(1) for the purposes of the Council; or**

4 **(2) to any organization that qualifies under § 501(c)(3) of the Internal**
5 **Revenue Code.**

6 **(c) The circuit court of the county in which the principal office of the Council**
7 **is located, by judicial action, shall dispose of any property remaining after disposal**
8 **under subsection (b) of this section exclusively for the purposes of the Council or to any**
9 **organization that qualifies under § 501(c)(3) of the Internal Revenue Code.]**

10 **[13-715.**

11 **(a) This section applies to the dissolution of the Council.**

12 **(b) After providing for the payment of each liability of the Council, the**
13 **Council, as it determines, shall dispose of its assets exclusively:**

14 **(1) for the purposes of the Council; or**

15 **(2) to any organization that qualifies under § 501(c)(3) of the Internal**
16 **Revenue Code.**

17 **(c) The circuit court of the county in which the principal office of the Council**
18 **is located, by judicial action, shall dispose of any property remaining after disposal**
19 **under subsection (b) of this section exclusively for the purposes of the Council or to any**
20 **organization that qualifies under § 501(c)(3) of the Internal Revenue Code.]**

21 **[13-811.**

22 **(a) This section applies to the dissolution of the Council.**

23 **(b) After providing for the payment of each liability of the Council, the**
24 **Council, as it determines, shall dispose of its assets exclusively:**

25 **(1) for the purposes of the Council; or**

26 **(2) to any organization that qualifies under § 501(c)(3) of the Internal**
27 **Revenue Code.**

28 **(c) The circuit court of the county in which the principal office of the Council**
29 **is located, by judicial action, shall dispose of any property remaining after disposal**
30 **under subsection (b) of this section exclusively for the purposes of the Council or to the**
31 **counties in the region.]**

1 [13-911.

2 (a) This section applies to the dissolution of the Council.

3 (b) After providing for the payment of each liability of the Council, the
4 Council, as the Council determines, shall dispose of its assets exclusively:

5 (1) for the purposes of the Council; or

6 (2) to an organization that qualifies under § 501(c)(3) of the Internal
7 Revenue Code.

8 (c) The circuit court of the county in which the principal office of the Council
9 is located, by judicial action, shall dispose of any property remaining after disposal
10 under subsection (b) of this section exclusively for the purposes of the Council or to the
11 counties in the region.]

12 [13-1011.

13 (a) This section applies to the dissolution of the Council.

14 (b) After providing for the payment of each liability of the Council, the
15 Council, as the Council determines, shall dispose of its assets exclusively:

16 (1) for the purposes of the Council; or

17 (2) to any organization that qualifies under § 501(c)(3) of the Internal
18 Revenue Code.

19 (c) The circuit court of the county in which the principal office of the Council
20 is located, by judicial action, shall dispose of any property remaining after disposal
21 under subsection (b) of this section exclusively for a purpose of the Council or to the
22 counties in the region.]

23 **Article - Education**

24 7-203.1.

25 (a) (1) For fiscal years 2003 and 2004, the Department shall distribute
26 grants to qualified distressed counties, as defined in [Article 83A, § 5-701 of the Code]
27 **§ 1-101 OF THE ECONOMIC DEVELOPMENT ARTICLE**, for the administration of the
28 Preliminary Scholastic Aptitude Test to 10th grade students.

29 16-302.1.

1 (a) (2) “Authority” means the Maryland Health and Higher Educational
2 Facilities Authority established under [Article 43C of the Code] **TITLE 10, SUBTITLE**
3 **3 OF THE ECONOMIC DEVELOPMENT ARTICLE.**

4 18–303.1.

5 (g) (2) To the extent that funds are provided, the State shall provide 50
6 percent of the costs associated with the local administration and one-on-one
7 mentoring components of the Program, except that in a county that meets the
8 requirements of a “qualified distressed county” under [Article 83A, § 5–1501(a)(8) of
9 the Code] **§ 1–101 OF THE ECONOMIC DEVELOPMENT ARTICLE** the State shall
10 provide 75 percent of the costs.

11 **Article – Environment**

12 7–507.

13 When an applicant submits an application under § 7–506 of this subtitle, the
14 applicant also may submit a request to the Department of Business and Economic
15 Development to determine the applicant’s eligibility to qualify for financial incentives
16 for the redevelopment of a brownfields site in accordance with [Article 83A, Title 5,
17 Subtitle 14 of the Code] **TITLE 5, SUBTITLE 3 OF THE ECONOMIC DEVELOPMENT**
18 **ARTICLE.**

19 **Article – Financial Institutions**

20 13–801.

21 (h) “Local issuer” means any county, municipality, or industrial development
22 authority established under [Article 41, § 14–103 of the Annotated Code of Maryland]
23 **TITLE 12, SUBTITLE 1 OF THE ECONOMIC DEVELOPMENT ARTICLE**, or other
24 agency with authority to issue bonds, other than a State issuer.

25 **Article – Health – General**

26 13–1101.

27 (p) “Maryland Technology Development Corporation” means the entity that
28 is established under [Article 83A, § 5–2A–02 of the Code] **TITLE 10, SUBTITLE 4 OF**
29 **THE ECONOMIC DEVELOPMENT ARTICLE.**

30 19–222.

31 (g) (3) The Commission may provide, as appropriate, for temporary
32 adjustment of the rates of those hospitals that are directly involved in the merger or
33 consolidation, closure, or delicensure in order to provide sufficient funds for an orderly
34 transition. These funds may include:

1 (iii) Any other closure costs as defined in [§ 16A of Article 43C of
 2 the Code] § 10-340 OF THE ECONOMIC DEVELOPMENT ARTICLE; or
 3 19-223.

4 The Commission shall assess a fee on all hospitals whose rates have been
 5 approved by the Commission to pay for:

6 (1) The amounts required by [subsection (k) of § 16A of] § 10-350 OF
 7 THE ECONOMIC DEVELOPMENT Article [43C of the Code] with respect to public
 8 [body] obligations or closure costs of a closed or delicensed hospital as defined in
 9 [Article 43C, § 16A of the Code] § 10-340 OF THE ECONOMIC DEVELOPMENT
 10 ARTICLE; and

11 (2) Funding the Hospital Employees Retraining Fund.

12 **Article - Insurance**

13 6-114.

14 An insurer may claim a credit against the premium tax for wages paid to
 15 qualified employees as provided under [Article 83A, § 5-1102 of the Code] **TITLE 6,**
 16 **SUBTITLE 3 OF THE ECONOMIC DEVELOPMENT ARTICLE.**

17 6-119.

18 An insurer may claim a credit against the premium tax for One Maryland
 19 project costs and start-up costs as provided under [Article 83A, § 5-1501(b) and (c) of
 20 the Code] **TITLE 6, SUBTITLE 4 OF THE ECONOMIC DEVELOPMENT ARTICLE.**

21 14-111.

22 Subject to the authority of the Commissioner to regulate nonprofit health
 23 service plans under this article, a certificate of authority issued under this subtitle
 24 authorizes a corporation to:

25 (1) issue contracts in the form filed with the Commissioner to persons
 26 that become subscribers to the plan;

27 (2) finance capital improvement projects through the Maryland Health
 28 and Higher Educational Facilities Authority as provided under [Article 43C of the
 29 Code] **TITLE 10, SUBTITLE 3 OF THE ECONOMIC DEVELOPMENT ARTICLE;**

30 (3) finance capital improvement projects through the Maryland
 31 Economic Development Corporation as provided under [Article 83A, Title 5, Subtitle 2

1 of the Code] **TITLE 10, SUBTITLE 1 OF THE ECONOMIC DEVELOPMENT ARTICLE;**
2 and

3 (4) partner with the State and other public or private entities to
4 provide services or administer programs intended to address community health care
5 needs.

6 **Article – State Finance and Procurement**

7 2–206.

8 (a) (3) “Council” means the Rural Maryland Council established under
9 [Article 41, Title 15 of the Code] **TITLE 13, SUBTITLE 4 OF THE ECONOMIC**
10 **DEVELOPMENT ARTICLE.**

11 2–207.

12 (a) (4) “Council” means the Rural Maryland Council established under
13 [Article 41, Title 15, Subtitle 1 of the Code] **TITLE 13, SUBTITLE 4 OF THE**
14 **ECONOMIC DEVELOPMENT ARTICLE.**

15 5–7B–01.

16 (c) (1) “Growth–related project” means only the items set forth below:

17 (iii) funding by the Department of Business and Economic
18 Development under any of the following:

19 1. the Maryland Industrial Development Financing
20 Authority, authorized under [Article 83A, Title 5, Subtitle 9 of the Code] **TITLE 5,**
21 **SUBTITLE 4 OF THE ECONOMIC DEVELOPMENT ARTICLE;**

22 2. the Maryland Small Business Development Financing
23 Authority, authorized under [Article 83A, Title 5, Subtitle 10 of the Code] **TITLE 5,**
24 **SUBTITLE 5 OF THE ECONOMIC DEVELOPMENT ARTICLE;**

25 3. the **FORMER** Maryland Energy Financing Act,
26 authorized under **FORMER** Article 83A, Title 6, Subtitle 4 of the Code, **SUCCEEDED**
27 **BY THE MARYLAND INDUSTRIAL DEVELOPMENT FINANCING AUTHORITY;**

28 4. the Economic Development Opportunities Program
29 Fund, authorized under § 7–314 of this article;

30 5. the **FORMER** Maryland Competitive Advantage
31 Financing Fund, authorized under **FORMER** Article 83A, Title 5, Subtitle 13 of the
32 Code; and

1 6. the Maryland Economic Development Assistance
2 Authority and Fund, authorized under [Article 83A, Title 5, Subtitle 14 of the Code]
3 **TITLE 5, SUBTITLE 3 OF THE ECONOMIC DEVELOPMENT ARTICLE;**

4 5-7B-02.

5 The following areas shall be considered priority funding areas under this
6 subtitle:

7 (3) an enterprise zone as designated under [Article 83A, § 5-402 of the
8 Code] **TITLE 5, SUBTITLE 7 OF THE ECONOMIC DEVELOPMENT ARTICLE**, or by
9 the United States government;

10 11-203.

11 (a) Except as provided in subsection (b) of this section, this Division II does
12 not apply to:

13 (1) procurement by:

14 (v) the Maryland Food Center Authority, to the extent the
15 Authority is exempt under [Article 41, Title 13, Subtitle 1 of the Code] **TITLE 10,**
16 **SUBTITLE 2 OF THE ECONOMIC DEVELOPMENT ARTICLE;**

17 **Article - Tax - General**

18 2-1303.

19 After making the distributions required under §§ 2-1301 through 2-1302.1 of
20 this subtitle, the Comptroller shall pay:

21 (1) revenues from the hotel surcharge into the Dorchester County
22 Economic Development Fund established under [Article 83A, § 5-216 of the Code] §
23 **10-130 OF THE ECONOMIC DEVELOPMENT ARTICLE;** and

24 (2) the remaining sales and use tax revenue into the General Fund of
25 the State.

26 4-103.

27 (a) The admissions and amusement tax may not be imposed by:

28 (5) Montgomery County on gross receipts derived within an area
29 designated as an enterprise zone under [Article 83A, § 5-402 of the Code] **TITLE 5,**
30 **SUBTITLE 7 OF THE ECONOMIC DEVELOPMENT ARTICLE** from a charge for:

1 (i) admission to a nightclub or room in a hotel, restaurant, hall,
2 or other place where dancing privileges, music, or other entertainment is provided; or

3 (ii) merchandise, refreshment, or a service sold or served in
4 connection with entertainment at a nightclub or room in a hotel, restaurant, hall, or
5 other place where dancing privileges, music, or other entertainment is provided; and

6 4-104.

7 (e) (1) In this subsection, “arts and entertainment district”, “arts and
8 entertainment enterprise” and “qualifying residing artist” have the meanings stated in
9 [Article 83A, § 4-701 of the Code] **§ 4-701 OF THE ECONOMIC DEVELOPMENT**
10 **ARTICLE.**

11 8-201.

12 (b) “Approved foreign trade zone” means an area designated as a foreign
13 trade zone under [Article 23, §§ 466 through 469 of the Code] **TITLE 5, SUBTITLE 8**
14 **OF THE ECONOMIC DEVELOPMENT ARTICLE.**

15 8-214.

16 A financial institution may claim a credit against the financial institution
17 franchise tax for wages paid to qualified employees as provided under [Article 83A, §
18 5-1102 of the Code] **TITLE 6, SUBTITLE 3 OF THE ECONOMIC DEVELOPMENT**
19 **ARTICLE.**

20 8-220.

21 A financial institution may claim a credit against the financial institution
22 franchise tax for One Maryland project costs and start-up costs as provided under
23 [Article 83A, § 5-1501(b) and (c) of the Code] **TITLE 6, SUBTITLE 4 OF THE**
24 **ECONOMIC DEVELOPMENT ARTICLE.**

25 8-411.

26 A public service company may claim a credit against the public service company
27 franchise tax for wages paid to qualified employees as provided under [Article 83A, §
28 5-1102 of the Code] **TITLE 6, SUBTITLE 3 OF THE ECONOMIC DEVELOPMENT**
29 **ARTICLE.**

30 10-207.

31 (v) (1) In this subsection, “artistic work”, “arts and entertainment
32 district”, and “qualifying residing artist” have the meanings stated in [Article 83A, §
33 4-701 of the Code] **§ 4-701 OF THE ECONOMIC DEVELOPMENT ARTICLE.**

1 10-702.

2 (a) (3) "Enterprise zone" [means an area designated under Article 83A, §
3 5-402 of the Code] **HAS THE MEANING STATED IN § 5-701 OF THE ECONOMIC**
4 **DEVELOPMENT ARTICLE.**

5 (6) "Focus area" has the meaning stated in [Article 83A, § 5-401 of the
6 Code] **§ 5-701 OF THE ECONOMIC DEVELOPMENT ARTICLE.**

7 (b) (1) Any business entity that is located in an enterprise zone and
8 satisfies the requirements of [Article 83A, § 5-404 of the Code] **§ 5-707 OF THE**
9 **ECONOMIC DEVELOPMENT ARTICLE** may claim a credit only against the State
10 income tax for the wages specified in subsections (c) and (d) of this section that are
11 paid in the taxable year for which the entity claims the credit.

12 (2) A business entity that is located in a focus area and satisfies the
13 requirements of [Article 83A, § 5-404 of the Code] **§ 5-707 OF THE ECONOMIC**
14 **DEVELOPMENT ARTICLE** may claim a credit only against the State income tax for
15 the wages specified in subsection (e) of this section that are paid to a focus area
16 employee in the taxable year for which the entity claims the credit.

17 (3) An organization that is exempt from taxation under § 501(c)(3) or
18 (4) of the Internal Revenue Code may apply the credit under this section as a credit
19 against income tax due on unrelated business taxable income as provided under §§
20 10-304 and 10-812 of this title.

21 (c) If a business entity does not claim an enhanced tax credit under
22 subsection (e) of this section for a focus area employee, for the taxable year in which a
23 business entity satisfies the requirements of [Article 83A, § 5-404 of the Code] **§**
24 **5-707 OF THE ECONOMIC DEVELOPMENT ARTICLE**, a credit is allowed that
25 equals:

26 (1) up to \$3,000 of the wages paid to each qualified employee who:

27 (i) is an economically disadvantaged individual; and

28 (ii) is not hired to replace an individual whom the business
29 entity employed in that or any of the 3 preceding taxable years; and

30 (2) up to \$1,000 of the wages paid to each qualified employee who:

31 (i) is not an economically disadvantaged individual; and

32 (ii) is not hired to replace an individual whom the business
33 entity employed in that or any of the 3 preceding taxable years.

1 (e) (1) For the taxable year in which a business entity satisfies the
 2 requirements of [Article 83A, §§ 5-402(k) and 5-404 of the Code] §§ **5-706 AND**
 3 **5-707 OF THE ECONOMIC DEVELOPMENT ARTICLE**, a credit is allowed that
 4 equals:

5 (i) up to \$4,500 of the wages paid to each focus area employee
 6 who:

7 1. is an economically disadvantaged individual; and

8 2. is not hired to replace an individual whom the
 9 business entity employed in that year or any of the 3 preceding taxable years; and

10 (ii) up to \$1,500 of the wages paid to each focus area employee
 11 who:

12 1. is not an economically disadvantaged individual; and

13 2. is not hired to replace an individual whom the
 14 business entity employed in that year or any of the 3 preceding taxable years.

15 10-704.4.

16 An individual or a corporation may claim a credit against the income tax for
 17 wages paid to qualified employees as provided under [Article 83A, § 5-1102 of the
 18 Code] **TITLE 6, SUBTITLE 3 OF THE ECONOMIC DEVELOPMENT ARTICLE**.

19 10-714.

20 An individual or corporation may claim a credit against the State income tax for
 21 One Maryland project costs and start-up costs as provided under [Article 83A, §
 22 5-1501(b) and (c) of the Code] **TITLE 6, SUBTITLE 4 OF THE ECONOMIC**
 23 **DEVELOPMENT ARTICLE**.

24 10-722.

25 (a) (8) “Eligible building” means a building located in the State that:

26 (ii) in the case of a newly constructed building for which a
 27 certificate of occupancy was not issued before July 1, 2001:

28 1. is located on a qualified brownfields site, as defined
 29 under [Article 83A, § 5-1401 of the Code] § **5-301 OF THE ECONOMIC**
 30 **DEVELOPMENT ARTICLE**; or

31 2. A. is located in a priority funding area under §
 32 5-7B-02 of the State Finance and Procurement Article; and

1 B. is not located on wetlands, the alteration of which
2 requires a permit under § 404 of the federal Clean Water Act, 33 U.S.C. § 1344; and

3 (iii) in the case of a rehabilitation of a building:

4 1. is located in a priority funding area under § 5-7B-02
5 of the State Finance and Procurement Article or on a qualified brownfields site as
6 defined under [Article 83A, § 5-1401 of the Code] § **5-301 OF THE ECONOMIC**
7 **DEVELOPMENT ARTICLE**; or

8 2. is not an increase of more than 25% in the square
9 footage of the building.

10 11-102.

11 (b) (2) The hotel surcharge imposed under paragraph (1) of this
12 subsection may not be imposed if the Maryland Economic Development Corporation
13 certifies to the Comptroller that the bonds issued by the Maryland Economic
14 Development Corporation secured by the Dorchester County Economic Development
15 Fund established under [§ 5-216 of Article 83A of the Code] § **10-130 OF THE**
16 **ECONOMIC DEVELOPMENT ARTICLE** have been paid in full.

17 11-227.

18 (b) The sales and use tax does not apply to a sale of tangible personal
19 property or a taxable service used directly in connection with a film production activity
20 by a film producer or production company certified by the Department of Business and
21 Economic Development under [Article 83A, § 4-501 of the Code] **TITLE 6, SUBTITLE**
22 **2 OF THE ECONOMIC DEVELOPMENT ARTICLE**.

23 Article - Tax - Property

24 7-504.4.

25 (a) (1) In this section the following words have the meanings indicated.

26 (2) "Hippodrome Performing Arts Center site" [has the meaning
27 stated in § 13-701(q) of the Financial Institutions] **MEANS THE HIPPODROME**
28 **PERFORMING ARTS SITE AS DEFINED IN § 10-601 OF THE ECONOMIC**
29 **DEVELOPMENT Article**.

30 (3) "Hippodrome Performing Arts Center facility" [has the meaning
31 stated in § 13-701(s) of the Financial Institutions] **MEANS THE HIPPODROME**
32 **PERFORMING ARTS FACILITY AS DEFINED IN § 10-601 OF THE ECONOMIC**
33 **DEVELOPMENT Article**.

1 9–103.

2 (a) (6) (i) “Qualified property” means real property that is:

3 1. not used for residential purposes;

4 2. used in a trade or business by a business entity that
5 meets the requirements of [Article 83A, § 5–404 of the Code] § **5–707 OF THE**
6 **ECONOMIC DEVELOPMENT ARTICLE**; and

7 3. located in an enterprise zone that is designated under
8 [Article 83A, § 5–402 of the Code] **TITLE 5, SUBTITLE 7 OF THE ECONOMIC**
9 **DEVELOPMENT ARTICLE**.

10 (ii) “Qualified property” includes personal property on real
11 property that is located in a focus area as defined in [Article 83A, § 5–401 of the Code]
12 § **5–701 OF THE ECONOMIC DEVELOPMENT ARTICLE**.

13 (e) (3) Notwithstanding [Article 83A, § 5–404(d) of the Code] § **5–707(D)**
14 **OF THE ECONOMIC DEVELOPMENT ARTICLE** but subject to [Article 83A, § 5–404(b)
15 and (c) of the Code] § **5–707(B) AND (C) OF THE ECONOMIC DEVELOPMENT**
16 **ARTICLE**, a business entity operating in an enterprise zone when the designation of
17 the enterprise zone expires may claim the credits allowed under this section for real
18 property that:

19 (i) the business owns, operates, develops, constructs, or
20 rehabilitates within 5 years after the date the designation of the enterprise zone
21 expired; and

22 (ii) otherwise qualifies for the credits allowed under this section.

23 9–229.

24 (a) (3) “Qualified brownfields site” has the meaning stated in [Article
25 83A, § 5–1401 of the Code] § **5–301 OF THE ECONOMIC DEVELOPMENT ARTICLE**.

26 (b) (1) (i) A taxing jurisdiction may elect to participate in the
27 Brownfields Revitalization Incentive Program under [Article 83A, Title 5, Subtitle 14
28 of the Code] **TITLE 5, SUBTITLE 3 OF THE ECONOMIC DEVELOPMENT ARTICLE**
29 through the enactment of legislation that grants property tax credits in accordance
30 with the requirements of this section.

31 (c) For each of the 5 taxable years immediately following the first
32 revaluation of the property after completion of a voluntary cleanup or corrective action

1 plan of a brownfields site, each participating taxing jurisdiction where a qualified
2 brownfields site is located shall:

3 (2) contribute to the Maryland Economic Development Assistance
4 Fund under [Article 83A, § 5–1404 of the Code] § **5–313(8) OF THE ECONOMIC**
5 **DEVELOPMENT ARTICLE**, 30% of the property tax attributable to the increase in the
6 assessment of the brownfields site, including improvements added to the site within
7 the 5–year period as provided under this subsection, over the assessment of the
8 qualified brownfields site before the voluntary cleanup.

9 9–230.

10 (d) (2) For a business entity to qualify for an enhanced property tax credit
11 under this subsection, the business entity, along with its affiliates, shall be primarily
12 engaged in one or more of the following at the qualifying premises:

13 (vii) central [financial, real estate, or insurance] services as
14 defined in [Article 83A, § 5–1101 of the Code] § **6–101 OF THE ECONOMIC**
15 **DEVELOPMENT ARTICLE**;

16 (viii) the operation of central administrative offices or a company
17 headquarters as defined in [Article 83A, § 5–1101 of the Code] § **6–101 OF THE**
18 **ECONOMIC DEVELOPMENT ARTICLE**;

19 9–240.

20 (a) In this section, “arts and entertainment district”, “arts and entertainment
21 enterprise”, and “qualifying residing artist” have the meanings stated in [Article 83A,
22 § 4–701 of the Code] § **4–701 OF THE ECONOMIC DEVELOPMENT ARTICLE**.

23 9–318.

24 (d) (2) In order to qualify for the credit under this subsection:

25 (ii) the designated geographic areas shall be located within two
26 of the following areas:

27 3. an enterprise zone, as defined in [Article 83A, §
28 5–401(f) of the Code] § **5–701 OF THE ECONOMIC DEVELOPMENT ARTICLE**; and

29 10–202.

30 (a) (3) The governing body of Prince George’s County may not authorize a
31 payment deferral for county property tax for real property located in a development
32 district established under [Title 14, Subtitle 2 of Article 41] **TITLE 12, SUBTITLE 2**
33 **OF THE ECONOMIC DEVELOPMENT ARTICLE**.

1 12-108.

2 (a) (2) The Mayor and City Council of Baltimore City or the governing
3 body of a county may impose, by law, the recordation tax uniformly on all instruments
4 of writing that secure repayment of debt created by the sale of bonds authorized under
5 [Article 41, Title 14, Subtitle 1 of the Code] **TITLE 12, SUBTITLE 1 OF THE**
6 **ECONOMIC DEVELOPMENT ARTICLE.**

7 (aa) An instrument of writing pursuant to which the Maryland Stadium
8 Authority transfers title to, or creates a leasehold interest in, real property if the
9 transferee or lessee is an Authority affiliate as defined in [§ 13-701(t) of the Financial
10 Institutions] **§ 10-601 OF THE ECONOMIC DEVELOPMENT** Article.

11 13-403.1.

12 An instrument of writing pursuant to which the Maryland Stadium Authority
13 transfers title to, or creates a leasehold interest in, real property if the transferee or
14 lessee is an Authority affiliate as defined in [§ 13-701(t) of the Financial Institutions]
15 **§ 10-601 OF THE ECONOMIC DEVELOPMENT** Article is not subject to a county
16 transfer tax.

17 14-902.

18 (a) (2) “Qualified brownfields site” has the meaning stated in [Article
19 83A, § 5-1401 of the Code] **§ 5-301 OF THE ECONOMIC DEVELOPMENT ARTICLE.**

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

22 **Article – State Government**

23 9-1021.

24 (c) This subtitle does not apply to artwork acquired through the Maryland
25 Public Art Initiative Program established under [Article 83A, § 4-6A-01 of the Code]
26 **TITLE 4, SUBTITLE 6 OF THE ECONOMIC DEVELOPMENT ARTICLE.**

27 SECTION 3. AND BE IT FURTHER ENACTED, That the following Section(s)
28 and designations of the Annotated Code of Maryland be repealed:

29 The article designation “Article 45A – Industrial Development”

30 The article designation “Article 78D – Baltimore Metropolitan Council”

31 The article designation “Article 83A – Department of Business and Economic
32 Development”

1 Article 41 – Governor – Executive and Administrative Departments
 2 The title designation “Title 13. Miscellaneous Statewide Development and
 3 Assistance Programs”

4 Article – Economic Development
 5 Section(s) 12–401 through 12–409 and the subtitle “Subtitle 4. Industrial
 6 Development Bonds”
 7 (As enacted by Ch. ____ (H.B. 1050) of the Acts of the General Assembly of 2008)

8 SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act
 9 shall take effect October 1, 2008. It shall remain effective until the taking effect of the
 10 termination provision specified in Section 2 of Chapter 393 of the Acts of the General
 11 Assembly of 2005. If that termination provision takes effect, Section 2 of this Act shall
 12 be abrogated and of no further force and effect. This Act may not be interpreted to
 13 have any effect on that termination provision.

14 SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That, except as provided in
 15 Section ~~3~~ 4 of this Act, this Act shall take effect October 1, 2008.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.