

**Department of Legislative Services**  
Maryland General Assembly  
2008 Session

**FISCAL AND POLICY NOTE**

House Bill 1050      (The Speaker)  
                                    (By Request – Department of Legislative Services – Code Revision)

Economic Matters

Finance

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**Economic Development**

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This Code Revision bill revises, restates, and recodifies the laws of the State that relate to economic development. The new article is a nonsubstantive revision of the statutes that pertain to the Department of Business and Economic Development, its component parts and programs, and independent economic development units and programs. This article consists of two divisions: Division I derives primarily from Article 83A – Department of Business and Economic Development and Article 23 – Miscellaneous Companies. Division II derives primarily from Articles 20 A-D – Tri-County and Regional Councils; Article 41 – Governor – Executive and Administrative Departments; Article 43C – Maryland Health and Higher Educational Facilities Authority; Article 45A – Industrial Development; Article 78D – Baltimore Metropolitan Council; Article 83A – Department of Business and Economic Development; the Financial Institutions Article; and the State Government Article.

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**Fiscal Summary**

**State Effect:** None. The bill recodifies specified existing laws without substantive change. While some existing regulations relating to various State agencies may need to be revised to conform to the bill's nonsubstantive changes, it is anticipated that this activity could be absorbed within each agency's existing resources.

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Bill Summary:** The Economic Development Article consists of 14 titles divided into two divisions as follows:

### **Division I: Department of Business and Economic Development**

***Title 1. Definitions.***

Contains definitions that apply to all of Division I.

***Title 2. Department of Business and Economic Development.***

Concerns the appointment, powers, and duties of the Secretary of Business and Economic Development and the organization and administration of the Department of Business and Economic Development and its units.

***Title 3. Economic Development and Business Resources.***

Contains provisions concerning statewide advisory bodies under the jurisdiction of DBED to promote economic development and provide technical assistance in certain business areas.

***Title 4. Tourism, Film, and the Arts.***

Concerns the Division of Tourism, Film, and the Arts in DBED and several constituent programs to promote, tourism, film production, and the arts in the State.

***Title 5. Economic Development and Financial Assistance Programs.***

Concerns financial assistance programs and bonding authorities under DBED's jurisdiction for the attraction, expansion, and retention of businesses in the State.

***Title 6. Economic Development Tax Incentives.***

Contains tax incentive programs under DBED's jurisdiction for three targeted areas: film production activities, job creation, and the One Maryland program.

***Title 7. Reserved.***

***Title 8. Reserved.***

### **Division II: Independent and Regional Development Units and Resources.**

***Title 9. Definitions.***

Contains definitions that apply to all of Division II.

***Title 10. Statewide Development Resources and Revenue Authorities.***

Contains provisions regarding independent financing authorities created to support a variety of public and private development in the State for public purposes.

***Title 11. Military Installation Support.***

Concerns tools for the State's response to the federal Base Realignment and Closure process.

***Title 12. Local Development Authorities and Resources.***

Contains provisions on common debt-financed mechanisms available to local governments to fund economic development and redevelopment.

***Title 13. Regional Development Resources.***

Concerns the organization and administration of regional economic development units on several levels: interstate, urban, rural, and local.

***Title 14. Miscellaneous Provisions.***

Contains miscellaneous provisions not limited to DBED.

**Background:** The Economic Development Article is a product of the continuing revision of the Annotated Code of Maryland by the legal staff of the Office of Policy Analysis of the Department of Legislative Services. The first revised articles were enacted at the First Extraordinary Session of 1973, and, as of the date of the introduction in the General Assembly of the Economic Development Article, 31 revised articles had become law: Agriculture, Business Occupations and Professions, Business Regulation, Commercial Law, Corporations and Associations, Correctional Services, Courts and Judicial Proceedings, Criminal Law, Criminal Procedure, Education, Election Law, Estates and Trusts, Family Law, Financial Institutions, Health-Environmental (now Environment), Health-General, Health Occupations, Housing and Community Development, Human Resources, Insurance, Labor and Employment, Natural Resources, Public Safety, Public Utility Companies, Real Property, State Finance and Procurement, State Government, State Personnel and Pensions, Tax-General, Tax-Property, and Transportation. The basic thrust of the revision is formal; the sole purposes of the work are modernization and clarification, not policymaking.

**Additional Comments:** Every effort is made to ensure that a proposed revision conforms as nearly as possible to the intent of the General Assembly, and any issues involving the interpretation of an aspect of current law are highlighted in the appropriate revisor's note. In other instances, the staff and the Article Review Committee have used revisor's notes to call to the attention of the General Assembly fundamental policy issues that are beyond the purview of the revision process.

## **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Legislative Services

**Fiscal Note History:** First Reader - February 26, 2008  
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