

# HOUSE BILL 356

C8

3lr0113

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By: **Chair, Economic Matters Committee (By Request – Departmental – Veterans Affairs)**

Introduced and read first time: January 25, 2013

Assigned to: Economic Matters

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Committee Report: Favorable

House action: Adopted

Read second time: February 19, 2013

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Military Personnel and Veteran-Owned Small Business No-Interest Loan**  
3 **Program**

4 FOR the purpose of altering the name of the Military Personnel and Service-Disabled  
5 Veterans No-Interest Loan Program to be the Military Personnel and  
6 Veteran-Owned Small Business No-Interest Loan Program; expanding the  
7 no-interest loan program to include all veteran-owned businesses; and  
8 generally relating to the Military Personnel and Veteran-Owned Small  
9 Business No-Interest Loan Program.

10 BY repealing and reenacting, with amendments,  
11 Article – Economic Development  
12 Section 5-1001 through 5-1003 to be under the amended subtitle “Subtitle 10.  
13 Military Personnel and Veteran-Owned Small Business No-Interest  
14 Loan Program”  
15 Annotated Code of Maryland  
16 (2008 Volume and 2012 Supplement)

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

19 **Article – Economic Development**

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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 Subtitle 10. Military Personnel and [~~Service–Disabled Veterans~~] **VETERAN–OWNED**  
2 **SMALL BUSINESS** No–Interest Loan Program.

3 5–1001.

4 (a) In this subtitle the following words have the meanings indicated.

5 (b) “~~Service–disabled veteran~~” means a veteran with a disability that is  
6 service–connected, as defined in 38 U.S.C. § 101(16).

7 (c) (1) “Small business employer” means an employer who employed an  
8 average of 50 or fewer employees on business days during the calendar year preceding  
9 the determination of eligibility for a loan under this subtitle.

10 (2) For purposes of paragraph (1) of this subsection, all persons  
11 treated as a single employer under § 414(b), (c), (m), or (o) of the Internal Revenue  
12 Code shall be treated as a single employer under this subtitle.

13 **(D) “VETERAN–OWNED SMALL BUSINESS” MEANS A SMALL BUSINESS**  
14 **THAT IS AT LEAST 51% OWNED BY A VETERAN AS DEFINED IN 38 U.S.C. § 101(2).**

15 5–1002.

16 Subject to the availability of funds, the Department, in consultation with the  
17 Department of Veterans Affairs, shall establish a program to provide no–interest loans  
18 under this subtitle to:

19 (1) small business employers of military reservists and National  
20 Guard personnel who are called to active duty;

21 (2) businesses owned by military reservists and National Guard  
22 personnel who are called to active duty;

23 (3) [~~service–disabled veterans~~;

24 (4) businesses owned by service–disabled veterans]  
25 **VETERAN–OWNED SMALL BUSINESSES**; and

26 **[(5)] (4)** businesses employing a service–disabled veteran.

27 5–1003.

28 Loans shall be made under this subtitle for the purposes of:

29 (1) providing financial support to:

1 (i) a business owned by a military reservist or National Guard  
2 member who is called to active duty; or

3 (ii) a small business employer of a military reservist or National  
4 Guard member who is called to active duty;

5 (2) making the home, motor vehicle, or place of employment of a  
6 [service-disabled] veteran accessible to individuals with disabilities, including  
7 purchasing equipment necessary to enable a business to employ a service-disabled  
8 veteran **OR TO ENABLE A SERVICE-DISABLED VETERAN TO OPERATE A**  
9 **BUSINESS**; and

10 (3) defraying other necessary expenses, as determined by the  
11 Department of Veterans Affairs, incurred by:

12 (i) a business employing a service-disabled veteran [as a result  
13 of the veteran's disability]; **OR**

14 (ii) [a service-disabled veteran; or

15 (iii) a business owned by a service-disabled veteran] **A**  
16 **VETERAN-OWNED SMALL BUSINESS.**

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
18 October 1, 2013.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.