

BY: Committee on Ways and Means

AMENDMENTS TO SENATE BILL 600
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 6, strike “public schools or”; strike beginning with “authorizing” in line 11 down through “zone;” in line 13; in line 16, strike “RISE” and substitute “Regional Institution Strategic Enterprise (RISE)”; in line 16, after “zone;” insert “prohibiting certain counties and municipalities from authorizing certain property tax credits;”; in line 20, strike “an application” and substitute “certain applications”; and in line 21, after “providing” insert “that”.

On page 2, in line 1, after “county” insert “or municipal corporation”; strike beginning with “for” in line 1 down through “application” in line 2; strike beginning with “authorizing” in line 4 down through “credit;” in line 6 and substitute “providing that the designation of a RISE zone is for a certain number of years; providing that a RISE zone may be renewed for a certain number of years under certain circumstances; prohibiting the Secretary from designating a RISE zone in certain areas;”; in lines 26 and 27, strike “, under certain circumstances,” and substitute “or municipal corporation”; in line 27, strike “calculation of a certain” and substitute “amount of the”; strike beginning with “providing” in line 27 down through “credit;” in line 31; strike beginning with “allowing” in line 35 down through “service;” in line 38; in line 43, after “report;” insert “requiring the Department of Business and Economic Development to convene a certain group to provide certain advice; altering, subject to certain approval, the taxable year in which certain property initially becomes qualified property for certain enterprise zone property tax credits;”; and in line 44, after “regulations;” insert “providing for the application of certain provisions of this Act; declaring the intent of the General Assembly;”.

On page 3, after line 17, insert:

“BY repealing and reenacting, with amendments,

(Over)

Article - Tax - Property
Section 9-103(e)(1)
Annotated Code of Maryland
(2012 Replacement Volume and 2013 Supplement)”;

and strike in their entirety lines 23 through 32, inclusive.

AMENDMENT NO. 2

On page 4, strike in their entirety lines 26 and 27; and in line 28, strike “(E)” and substitute “(D)”.

On page 5, strike beginning with “A” in line 2 down through “SCHOOL” in line 3 and substitute “A REGIONAL HIGHER EDUCATION CENTER AS DEFINED UNDER § 10-101 OF THE EDUCATION ARTICLE”; in line 8, strike “(F)” and substitute “(E)”; in the same line, strike “AN” and substitute “A GEOGRAPHIC”; in the same line, after “AREA” insert “IN IMMEDIATE PROXIMITY TO A QUALIFIED INSTITUTION THAT IS TARGETED FOR INCREASED ECONOMIC AND COMMUNITY DEVELOPMENT”.

On page 6, in line 9, after “ORGANIZATION” insert “THAT IS NOT AN INSTITUTION OF HIGHER EDUCATION”; in line 10, strike “AND ESTABLISH”; in the same line, strike the colon; in line 11, strike “(1)”; strike beginning with the semicolon in line 11 down through “SCHOOL” in line 13.

AMENDMENT NO. 3

On page 6, in line 25, after “(F)” insert “(1)”; and after line 27, insert:

“(2) AT LEAST 30 DAYS BEFORE APPROVAL OR REJECTION OF AN APPLICATION UNDER THIS SECTION, THE SECRETARY SHALL NOTIFY THE LEGISLATIVE POLICY COMMITTEE.”

(3) THE LEGISLATIVE POLICY COMMITTEE MAY PROVIDE ADVICE TO THE SECRETARY REGARDING THE APPROVAL OR REJECTION OF AN INSTITUTION AS A QUALIFIED INSTITUTION.;

and in line 29, strike “MAY” and substitute “SHALL”.

AMENDMENT NO. 4

On page 6, in line 29, strike “**(1)**”; and in line 30, after “APPLY” insert “**JOINTLY WITH A COUNTY, A MUNICIPAL CORPORATION, OR THE ECONOMIC DEVELOPMENT AGENCY OF A COUNTY OR MUNICIPAL CORPORATION**”.

On page 7, strike in their entirety lines 1 through 3, inclusive.

AMENDMENT NO. 5

On page 7, in line 8, strike “AND”; after line 8, insert:

“(3) DESCRIBE THE NEXUS OF THE RISE ZONE WITH THE QUALIFIED INSTITUTION; AND”;

in line 9, strike “**(3)**” and substitute “**(4)**”; in line 10, strike “FOR” and substitute “AND ANTICIPATED ECONOMIC IMPACTS OF”; after line 13, insert:

“(D) (1) UNLESS A COUNTY IN WHICH A MUNICIPAL CORPORATION IS LOCATED AGREES TO DESIGNATION OF A RISE ZONE IN THE MUNICIPAL CORPORATION, QUALIFIED PROPERTY IN THE MUNICIPAL CORPORATION MAY NOT RECEIVE A TAX CREDIT AGAINST COUNTY PROPERTY TAX.

(2) UNLESS A MUNICIPAL CORPORATION LOCATED WITHIN A COUNTY AGREES TO DESIGNATION OF A RISE ZONE WITHIN ITS BOUNDARIES,

QUALIFIED PROPERTY IN THE COUNTY MAY NOT RECEIVE A TAX CREDIT AGAINST THE MUNICIPAL PROPERTY TAX.”;

in line 14, strike “(D)” and substitute “(E)”; in line 17, after “ZONE” insert “, INCLUDING APPROVAL OR MODIFICATION OF THE PROPOSED BOUNDARIES OF THE RISE ZONE”; in line 29, strike “PROPOSED”; and in the same line, after “ZONE” insert “PROPOSED BY THE SECRETARY”.

AMENDMENT NO. 6

On page 7, in line 14, strike “90” and substitute “120”; in line 20, strike “60” and substitute “45”; in line 21, strike the colon; in line 22, strike “(I)”; strike beginning with the semicolon in line 22 down through “LOCATED” in line 24; and strike beginning with “OR” in line 25 down through “LOCATED” in line 27.

AMENDMENT NO. 7

On page 8, strike in their entirety lines 1 through 3, inclusive, and substitute:

“(F) (1) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE DESIGNATION OF AN AREA AS A RISE ZONE IS EFFECTIVE FOR 5 YEARS.

(II) UPON A JOINT APPLICATION OF A QUALIFIED INSTITUTION, A COUNTY AND, IF APPLICABLE, A MUNICIPAL CORPORATION, OR THE ECONOMIC DEVELOPMENT AGENCY OF A COUNTY OR MUNICIPAL CORPORATION, THE SECRETARY MAY RENEW A RISE ZONE FOR AN ADDITIONAL 5 YEARS.

(2) THE SECRETARY MAY NOT APPROVE MORE THAN THREE RISE ZONES IN A SINGLE COUNTY OR MUNICIPAL CORPORATION.”;

in line 4, strike “**(E)**” and substitute “**(G) (1) A RISE ZONE MAY NOT BE REQUIRED TO BE IN THE IMMEDIATE GEOGRAPHIC PROXIMITY OF A QUALIFIED INSTITUTION IF AN APPROPRIATE NEXUS FOR THE INCREASED ECONOMIC AND COMMUNITY DEVELOPMENT IS ESTABLISHED WITH THE QUALIFIED ORGANIZATION.**”

(2)”;

and strike in their entirety lines 7 through 14, inclusive.

AMENDMENT NO. 8

On page 8, after line 14, insert:

“**(H) THE SECRETARY MAY NOT DESIGNATE A RISE ZONE IN:**

(1) A DEVELOPMENT DISTRICT ESTABLISHED UNDER TITLE 12, SUBTITLE 2 OF THIS ARTICLE; OR

(2) A SPECIAL TAXING DISTRICT ESTABLISHED UNDER TITLE 21 OF THE LOCAL GOVERNMENT ARTICLE OR SECTION 62A OF THE BALTIMORE CITY CHARTER.

(I) THE DESIGNATION OF AN AREA AS A RISE ZONE MAY NOT BE CONSTRUED TO LIMIT OR SUPERSEDE A PROVISION OF A COMPREHENSIVE PLAN, ZONING ORDINANCE, OR OTHER LAND USE POLICY ADOPTED BY A COUNTY, MUNICIPAL CORPORATION, OR BICOUNTY AGENCY WITH LAND USE AUTHORITY OVER THE AREA DESIGNATED AS A RISE ZONE.”;

and in line 25, after “**REGULATION,**” insert “**THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION,**”.

(Over)

AMENDMENT NO. 9

On page 9, in line 2, after “**ARTICLE;**” insert “**AND**”; strike in their entirety lines 3 and 4; and in line 5, strike “**(IV)**” and substitute “**(III) PRIORITY**”.

AMENDMENT NO. 10

On page 9, in line 30, after “**ZONES**” insert “, **INCLUDING**”.

On page 10, in line 6, strike “**GENERAL ASSEMBLY**” and substitute “**SENATE BUDGET AND TAXATION COMMITTEE, THE HOUSE COMMITTEE ON WAYS AND MEANS, AND THE TAX CREDIT EVALUATION COMMITTEE**”.

AMENDMENT NO. 11

On page 10, in line 12, strike the second “**RISE**” and substitute “**REGIONAL INSTITUTION STRATEGIC ENTERPRISE**”.

AMENDMENT NO. 12

On page 16, in line 14, after “**AS**” insert “**OTHERWISE**”; strike “**PARAGRAPHS (4) AND (5) OF**”; in line 19, strike “**80% IN**” and substitute “**AT LEAST 50%**”; in the same line, strike “**EACH OF**” and substitute “**IN**”; in the same line, strike “**5**”; in the same line, strike “**YEARS**” and substitute “**YEAR**”; in line 21, after “**PROPERTY;**” insert “**AND**”; in line 22, strike “**70% IN THE SIXTH TAXABLE YEAR;**” and substitute “**AT LEAST 10% IN THE SECOND THROUGH FIFTH TAXABLE YEARS.**”; and strike in their entirety lines 23 through 26, inclusive.

On page 17 in lines 10 and 18, and on page 18 in line 19, strike “**10**” and substitute “**5**”.

AMENDMENT NO. 13

On pages 17 and 18, strike beginning with line 29 on page 17 through line 2 on page 18, inclusive.

On page 18, in line 3, strike “**(III)**” and substitute “**(5)**”; in the same line, after “COUNTY” insert “OR MUNICIPAL CORPORATION”; in line 4, strike “SUBPARAGRAPH (II)” and substitute “PARAGRAPH (1)”; in line 5, strike “PARAGRAPH” and substitute “SUBSECTION”; after line 5, insert:

“(6) (I) IF A RISE ZONE IS RENEWED AS PROVIDED UNDER § 5-1404 OF THE ECONOMIC DEVELOPMENT ARTICLE, THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION SHALL CALCULATE THE AMOUNT OF THE TAX CREDIT UNDER THIS SECTION EQUAL TO AT LEAST 10% OF THE AMOUNT OF PROPERTY TAX IMPOSED ON THE ELIGIBLE ASSESSMENT OF THE QUALIFIED PROPERTY FOR THE SIXTH THROUGH TENTH TAXABLE YEARS.

“(II) THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY INCREASE, BY LOCAL LAW, THE PERCENTAGE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.”;

strike in their entirety lines 6 through 17, inclusive; and in line 18, strike “**A**” and substitute “**EXCEPT AS PROVIDED IN SUBSECTION (C)(6) OF THIS SECTION, A**”.

AMENDMENT NO. 14

On page 19, strike in their entirety lines 10 through 27, inclusive.

AMENDMENT NO. 15

On page 25, after line 17, insert:

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

Article – Tax – Property

(Over)

9-103.

(e) (1) A tax credit under this section is available to a qualified property for no more than 10 consecutive years beginning with:

(I) the taxable year following the calendar year in which the real property initially becomes a qualified property; OR

(II) THE TAXABLE YEAR IN WHICH THE REAL PROPERTY INITIALLY BECOMES A QUALIFIED PROPERTY, SUBJECT TO THE APPROVAL OF THE APPROPRIATE LOCAL GOVERNING BODY AND THE SECRETARY OF BUSINESS AND ECONOMIC DEVELOPMENT.”.

AMENDMENT NO. 16

On page 25, in line 21, after “regulations” insert “, standards, and guidelines needed to implement Section 1 of this Act”; in line 22, strike “3.” and substitute “4.”; strike beginning with the second “the” in line 24 down through “Article” in line 25 and substitute “:”

(1) the estimated cost and impact of the income tax credit provided to businesses in RISE zones under § 10-702 of the Tax – General Article; and

(2) the potential cost and impact of providing an income tax depreciation incentive for businesses within RISE zones.

SECTION 5. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that in the RISE zone application and designation processes, a county and municipal corporation shall confer in order to reach agreement on the desired RISE zone location and boundaries and the amount of property tax credits offered.

SECTION 6. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall be applicable to all taxable years beginning after June 30, 2013”.

AMENDMENT NO. 17

On page 25, in line 18, strike “2.” and substitute “3.”; and in line 19, after the first “of” insert “Section 1 of”.

AMENDMENT NO. 18

On page 25, in line 26, strike “4.” and substitute “7.”; in the same line, after “That” insert “, subject to Section 6 of this Act,”; and in line 27, strike “October” and substitute “June”.