

# SENATE BILL 582

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CF 5lr2499

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By: **Senators Pugh, Currie, McFadden, Muse, and Rosapepe**

Introduced and read first time: February 6, 2015

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Pilot Program for Small Business Development by Ex-Offenders**

3 FOR the purpose of requiring the Department of Labor, Licensing, and Regulation, in  
4 consultation with the Department of Public Safety and Correctional Services and the  
5 Maryland Small Business Development Financing Authority, to establish the Pilot  
6 Program for Small Business Development by Ex-Offenders for certain purposes by  
7 a certain date; providing for the termination of the Program; requiring the  
8 Department to develop a certain evaluation process for the Program; requiring the  
9 Department, in consultation with the Department of Public Safety and Correctional  
10 Services, to select certain individuals to participate in the Program; providing that a  
11 person selected by the Department to participate in the Program shall receive certain  
12 training and mentoring; requiring the Department to partner the individual with a  
13 certain mentor for a certain purpose; requiring the Department to assist the  
14 individual in obtaining certain financing through the Maryland Small Business  
15 Development Financing Authority; requiring the Department to report to the  
16 General Assembly on or before a certain date; providing for the termination of this  
17 Act; and generally relating to the Pilot Program for Small Business Development by  
18 Ex-Offenders.

19 BY adding to

20 Article – Labor and Employment

21 Section 11-1201 to be under the new subtitle “Subtitle 12. Pilot Program for Small  
22 Business Development by Ex-Offenders”

23 Annotated Code of Maryland

24 (2008 Replacement Volume and 2014 Supplement)

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

27 **Article – Labor and Employment**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           **SUBTITLE 12. PILOT PROGRAM FOR SMALL BUSINESS DEVELOPMENT BY**  
2   **EX-OFFENDERS.**

3 **11-1201.**

4           **(A) IN THIS SECTION, "PROGRAM" MEANS THE PILOT PROGRAM FOR**  
5 **SMALL BUSINESS DEVELOPMENT BY EX-OFFENDERS.**

6           **(B) (1) ON OR BEFORE JANUARY 1, 2016, THE DEPARTMENT, IN**  
7 **CONSULTATION WITH THE DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL**  
8 **SERVICES AND THE MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING**  
9 **AUTHORITY, SHALL ESTABLISH A PROGRAM TO ASSIST INDIVIDUALS EXITING THE**  
10 **CORRECTIONAL SYSTEM BY PROVIDING:**

11                           **(I) TRAINING IN HOW TO ESTABLISH SMALL BUSINESSES; AND**

12                           **(II) FUNDING TO ESTABLISH SMALL BUSINESSES.**

13           **(2) THE PROGRAM ESTABLISHED UNDER THIS SECTION SHALL**  
14 **TERMINATE AT THE END OF DECEMBER 31, 2020.**

15           **(C) THE DEPARTMENT SHALL DEVELOP AN EVALUATION PROCESS FOR THE**  
16 **PROGRAM THAT INCLUDES A MECHANISM TO EVALUATE WHETHER THE PROGRAM**  
17 **HAS OPERATED TO ENCOURAGE THE ESTABLISHMENT OF STABLE SMALL**  
18 **BUSINESSES BY INDIVIDUALS WHO HAVE PARTICIPATED IN THE PROGRAM.**

19           **(D) IN CONSULTATION WITH THE DEPARTMENT OF PUBLIC SAFETY AND**  
20 **CORRECTIONAL SERVICES, THE DEPARTMENT SHALL SELECT BETWEEN THREE**  
21 **AND FIVE INDIVIDUALS TO PARTICIPATE IN THE PROGRAM WHO:**

22                           **(1) HAVE RECENTLY EXITED THE CORRECTIONAL SYSTEM; AND**

23                           **(2) HAVE IDENTIFIED AN INTEREST OR A SKILL SET THAT INDICATES**  
24 **A LIKELIHOOD OF SUCCESSFUL IMPLEMENTATION OF THE BUSINESS PLAN**  
25 **PROPOSED BY THE INDIVIDUAL.**

26           **(E) AN INDIVIDUAL SELECTED TO PARTICIPATE IN THE PROGRAM SHALL**  
27 **RECEIVE TRAINING AND MENTORING IN THE DEVELOPMENT OF A BUSINESS PLAN.**

28           **(F) THE DEPARTMENT SHALL:**

1           **(1) PARTNER AN INDIVIDUAL PARTICIPATING IN THE PROGRAM WITH**  
2 **A MENTOR WHO WILL GUIDE THE INDIVIDUAL OVER A 3-YEAR PERIOD FOLLOWING**  
3 **THE IMPLEMENTATION OF THE INDIVIDUAL'S BUSINESS PLAN; AND**

4           **(2) ASSIST THE INDIVIDUAL IN OBTAINING FINANCING FOR THE**  
5 **INDIVIDUAL'S SMALL BUSINESS THROUGH THE MARYLAND SMALL BUSINESS**  
6 **DEVELOPMENT FINANCING AUTHORITY.**

7           SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 31,  
8 2020, the Department of Labor, Licensing, and Regulation shall report to the General  
9 Assembly, in accordance with § 2-1246 of the State Government Article, on the  
10 effectiveness of the Pilot Program established under this Act in assisting individuals who  
11 have been recently released from the correctional system in establishing successful, stable  
12 small businesses.

13           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
14 1, 2015. It shall remain effective for a period of 5 years and 6 months, at the end of  
15 December 31, 2020, with no further action required by the General Assembly, this Act shall  
16 be abrogated and of no further force and effect.