

HOUSE BILL 1594

C8, Q3, Q1

8lr2450
CF SB 1104

By: **Delegate Carey**

Introduced and read first time: February 9, 2018

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: April 3, 2018

CHAPTER _____

1 AN ACT concerning

2 **Economic Development – More Jobs for Marylanders – Tier I Eligibility**

3 FOR the purpose of altering the definition of “qualified distressed county” for purposes of
4 expanding the eligibility for certain credits and benefits under the More Jobs for
5 Marylanders Program; making conforming changes; and generally relating to the
6 More Jobs for Marylanders Program.

7 BY repealing and reenacting, with amendments,
8 Article – Economic Development
9 Section 6–801
10 Annotated Code of Maryland
11 (2008 Volume and 2017 Supplement)

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

14 **Article – Economic Development**

15 6–801.

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

17 (b) “Benefit year” means a taxable year in which a qualified business entity
18 claims a program benefit established under § 6–805 of this subtitle.

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 (c) (1) “Business entity” means a person conducting or operating a trade or
2 business that is primarily engaged in activities that, in accordance with the North
3 American Industrial Classification System (NAICS), United States Manual, United States
4 Office of Management and Budget, 2012 Edition, would be included in Sector 31, 32, or 33.

5 (2) “Business entity” does not include a refiner, as defined in § 10–101 of
6 the Business Regulation Article.

7 (d) “Eligible project” means a facility operated by a business entity in a Tier I
8 county or Tier II county.

9 (e) “Existing business entity” means a business entity that is located in the State
10 at the time it notifies the Department under § 6–803(c) of this subtitle.

11 (f) “New business entity” means a business entity that is not located in the State
12 at the time it notifies the Department under § 6–803(b) of this subtitle.

13 (g) “Program” means the More Jobs for Marylanders Program established under
14 this subtitle.

15 (h) “Qualified business entity” means a new business entity or an existing
16 business entity operating an eligible project under this subtitle.

17 **(I) (1) “QUALIFIED DISTRESSED COUNTY” MEANS, EXCEPT AS PROVIDED**
18 **IN PARAGRAPH (2) OF THIS SUBSECTION, A COUNTY WITH:**

19 **(I) AN AVERAGE RATE OF UNEMPLOYMENT FOR THE MOST**
20 **RECENT 24–MONTH PERIOD FOR WHICH DATA ARE AVAILABLE THAT EXCEEDS 150%**
21 **OF THE AVERAGE RATE OF UNEMPLOYMENT FOR THE STATE DURING THAT PERIOD;**

22 **(II) AN AVERAGE RATE OF UNEMPLOYMENT FOR THE MOST**
23 **RECENT 24–MONTH PERIOD FOR WHICH DATA ARE AVAILABLE THAT EXCEEDS THE**
24 **AVERAGE RATE OF UNEMPLOYMENT IN THE STATE BY AT LEAST 2 PERCENTAGE**
25 **POINTS; OR**

26 **(III) AN AVERAGE PER CAPITA PERSONAL INCOME FOR THE**
27 **MOST RECENT 24–MONTH PERIOD FOR WHICH DATA ARE AVAILABLE THAT IS EQUAL**
28 **TO OR LESS THAN 67% OF THE AVERAGE PER CAPITA PERSONAL INCOME FOR THE**
29 **STATE DURING THAT PERIOD.**

30 **(2) “QUALIFIED DISTRESSED COUNTY” INCLUDES:**

31 **(I) A COUNTY THAT NO LONGER MEETS ANY OF THE CRITERIA**
32 **STATED IN PARAGRAPH (1) OF THIS SUBSECTION, BUT HAS MET AT LEAST ONE OF**
33 **THE CRITERIA AT SOME TIME DURING THE PRECEDING 24–MONTH PERIOD; AND**

1 (II) A GEOGRAPHICAL AREA ~~OUTSIDE A COUNTY~~ THAT MEETS A
 2 CRITERION STATED IN PARAGRAPH (1) OF THIS SUBSECTION OR ITEM (I) OF THIS
 3 PARAGRAPH, IF THE AREA:

4 1. ~~SHARES THE SAME ZIP CODE AS THAT COUNTY A~~
 5 BORDER WITH A QUALIFIED DISTRESSED COUNTY;

6 2. HAS BEEN DESIGNATED A SUSTAINABLE COMMUNITY
 7 BY THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT; AND

8 3. INCLUDES ACREAGE THAT HAS BEEN DESIGNATED AN
 9 ENTERPRISE ZONE BY THE DEPARTMENT.

10 [(i)] (J) (1) “Qualified position” means a position that:

11 (i) is full-time and of indefinite duration;

12 (ii) pays at least 120% of the State minimum wage;

13 (iii) is located in a facility;

14 (iv) is newly created at a single facility in the State; and

15 (v) is filled.

16 (2) “Qualified position” does not include a position that is:

17 (i) created when an employment function is shifted from an existing
 18 facility of a business entity in the State to another facility of the same business entity if the
 19 position is not a net new job in the State;

20 (ii) created through a change in ownership of a trade or business;

21 (iii) created through a consolidation, merger, or restructuring of a
 22 business entity if the position is not a net new job in the State;

23 (iv) created when an employment function is contractually shifted
 24 from an existing business entity to another business entity in the State if the position is
 25 not a net new job in the State; or

26 (v) filled for a period of less than 12 months.

27 [(j)] (K) “Tier I county” means:

28 (1) a qualified distressed county[, as defined in § 1–101 of this article]; or

1 (2) a county designated by the Department that is not a county described
2 in paragraph (1) of this subsection, not to exceed 3 counties.

3 [(k)] (L) "Tier II county" means a county that is not a county described in
4 subsection [(j)] (K) of this section.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
6 1, 2018.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.