

Chapter 707

(Senate Bill 509)

AN ACT concerning

**National Capital Strategic Economic Development Program – Eligibility *and*
*Funding***

FOR the purpose of *extending certain funding to each fiscal year*; altering the definition of “national capital region” for the purposes of the National Capital Strategic Economic Development Program; requiring certain percentages of the National Capital Strategic Economic Development Fund to be used for community enhancement projects in sustainable communities located in certain areas in certain fiscal years; and generally relating to the National Capital Strategic Economic Development Program.

BY repealing and reenacting, with amendments,
 Article – Housing and Community Development
 Section 6–701 and 6–710
 Annotated Code of Maryland
 (2019 Replacement Volume and 2020 Supplement)

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

Article – Housing and Community Development

6–701.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Community development financial institution” has the meaning stated in 12 U.S.C. § 4702.
- (c) “Community development organization” means an entity that meets the requirements under § 6–704 of this subtitle.
- (d) (1) “Financial assistance” means a grant, a loan, or an investment provided under this subtitle.
- (2) “Financial assistance” includes:
- (i) an assurance;
 - (ii) a guarantee;

(iii) a prepayment of interest on a subordinate or superior loan or portion of a loan;

(iv) a reduction in the principal obligation of or rate of interest payable on a loan or a portion of a loan; and

(v) any other form of credit enhancement.

(e) “National capital region” means the areas of the State located within[:

(1) the boundary created by Interstate 495 in the State and the District of Columbia; and

(2) (i) any qualified opportunity zone designated under § 1400Z–1 of the Internal Revenue Code in Montgomery County or Prince George’s County; or

(ii) an enterprise zone, as defined in § 5–701 of the Economic Development Article, in Montgomery County or Prince George’s County] **A SUSTAINABLE COMMUNITY IN MONTGOMERY COUNTY OR PRINCE GEORGE’S COUNTY.**

(f) “Program” means the National Capital Strategic Economic Development Program.

(g) “Sustainable community” means an area designated as a sustainable community under § 6–205 of this title.

6–710.

(a) In this section, “Fund” means the National Capital Strategic Economic Development Fund.

(b) There is a National Capital Strategic Economic Development Fund.

(c) The purpose of the Fund is to provide financial assistance under the Program.

(d) The Department shall administer the Fund.

(e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(f) The Fund consists of:

(1) money appropriated in the State budget to the Fund;

(2) interest earnings of the Fund; and

(3) any other money from any other source accepted for the benefit of the Fund.

(g) [The] **SUBJECT TO SUBSECTION (K) OF THIS SECTION**, THE Fund may be used only for providing financial assistance under the Program.

(h) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any interest earnings of the Fund shall be credited to the Fund.

(i) Expenditures from the Fund may be made only in accordance with the State budget.

(j) (1) For fiscal ~~years~~ **YEAR** 2021 ~~through 2025~~ **AND EACH FISCAL YEAR THEREAFTER**, the Governor shall include in the annual operating budget an appropriation for the Fund in the amount of \$200,000.

(2) For fiscal ~~years~~ **YEAR** 2021 ~~through 2025~~ **AND EACH FISCAL YEAR THEREAFTER**, the Governor shall include in the annual operating or capital budget an appropriation for the Fund in the amount of \$7,000,000.

~~(K) (1) IN FISCAL YEARS 2022 AND 2023, AT LEAST 75% OF THE FUND SHALL BE USED FOR COMMUNITY ENHANCEMENT PROJECTS IN SUSTAINABLE COMMUNITIES LOCATED, AT LEAST IN PART, WITHIN THE BOUNDARY CREATED BY INTERSTATE 495 IN THE STATE AND THE DISTRICT OF COLUMBIA.~~

~~(2) IN FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER YEARS 2022 AND 2023, 100% OF THE FUND SHALL BE USED FOR COMMUNITY ENHANCEMENT PROJECTS IN SUSTAINABLE COMMUNITIES LOCATED;~~

~~(I) IN PRINCE GEORGE’S COUNTY, AT LEAST IN PART, WITHIN THE BOUNDARY CREATED BY INTERSTATE 495 IN THE STATE AND THE DISTRICT OF COLUMBIA; OR~~

~~(II) IN MONTGOMERY COUNTY, WITHIN AN ENTERPRISE ZONE OR THE BOUNDARY CREATED BY:~~

~~1. PRINCE GEORGE’S COUNTY;~~

~~2. MARYLAND ROUTE 200;~~

3. INTERSTATE 270;

4. INTERSTATE 495 TO THE MARYLAND STATE LINE; AND

5. THE DISTRICT OF COLUMBIA.

(2) IN FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER, 100% OF THE FUND SHALL BE USED FOR COMMUNITY ENHANCEMENT PROJECTS IN SUSTAINABLE COMMUNITIES LOCATED, AT LEAST IN PART, WITHIN THE BOUNDARY CREATED BY INTERSTATE 495 IN THE STATE AND THE DISTRICT OF COLUMBIA.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2021.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 30, 2021.