

**SENATE BILL 496**

Q3, C8, K2

EMERGENCY BILL

11r0133  
CF HB 612

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By: The President (By Request – Administration) and Senators Augustine, Beidle, Benson, Carozza, Carter, Corderman, Eckardt, Edwards, Elfreth, Ellis, Feldman, Ferguson, Griffith, Guzzone, Hayes, Hester, Hettleman, Jackson, Kagan, Kelley, King, Klausmeier, Kramer, Lam, Lee, McCray, Patterson, Peters, Pinsky, Rosapepe, Salling, Simonaire, Smith, Sydnor, Waldstreicher, Washington, West, Young, and Zucker

Introduced and read first time: January 20, 2021

Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments

Senate action: Adopted with floor amendments

Read second time: February 3, 2021

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CHAPTER \_\_\_\_\_

AN ACT concerning

**Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and Families (RELIEF) Act**

FOR the purpose of authorizing the Maryland Small Business Development Financing Authority to convert up to a certain amount of certain financing provided to certain businesses to grants under certain circumstances; allowing, beginning with a certain taxable year, a subtraction under the Maryland income tax for certain unemployment insurance benefits paid to an individual; allowing, for certain taxable years, a subtraction under the Maryland income tax for certain coronavirus relief payments received by a certain person during the taxable year; requiring the Comptroller to publish certain guidance regarding the subtraction; requiring certain governmental entities, on certain request, to provide certain information to the Comptroller; allowing a subtraction modification under the Maryland income tax for certain State economic impact payments; altering the definition of “rating year” for purposes of excluding certain fiscal years from the calculation of the earned rates of contribution for certain employing units under unemployment insurance law; authorizing certain vendors, under certain circumstances, to take a certain credit against the sales and use tax; requiring the Comptroller to provide certain payments, in a certain manner, to certain individuals eligible to claim the Maryland earned income tax credit for certain taxable years; requiring the Comptroller to report to the

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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.



Governor and the General Assembly on certain matters on or before certain dates; authorizing the Governor on or before a certain date to transfer certain amounts from certain accounts to a certain fund; establishing the Recovery Now Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Department of Budget and Management to administer the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purpose for which the Fund may be used; providing for the investment of money in and expenditures from the Fund; increasing the monthly benefit under a certain program; requiring that the recipients of payments under a certain program may not be removed from the program before a certain date, except under certain circumstances; requiring certain recipients of payments under a certain program who were denied benefits of the program to be reenrolled in the program until a certain date; requiring certain entities to submit certain reports on or before a certain date and at certain intervals thereafter; authorizing the Governor to process certain budget amendments for certain purposes; stating the intent of the General Assembly; requiring the Comptroller to perform a cash flow analysis and report the results on or before a certain date; defining certain terms; providing for the termination of certain provisions of this Act; making this Act an emergency measure; and generally relating to economic development and tax relief.

BY repealing and reenacting, without amendments,  
Article – Economic Development  
Section 5–501(a) and (b) and 5–549(a), (f), and (h)  
Annotated Code of Maryland  
(2018 Replacement Volume and 2020 Supplement)

BY adding to  
Article – Economic Development  
Section 5–559  
Annotated Code of Maryland  
(2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,  
Article – Labor and Employment  
Section 8–606(a) and 8–610(a)  
Annotated Code of Maryland  
(2016 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,  
Article – Labor and Employment  
Section 8–606(e)  
Annotated Code of Maryland  
(2016 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,  
Article – Tax – General

Section 10–207(a), 10–307(a), and 11–105  
Annotated Code of Maryland  
(2016 Replacement Volume and 2020 Supplement)

BY adding to

Article – Tax – General  
Section 10–207(jj) through (ll) and 10–307(g)(6)  
Annotated Code of Maryland  
(2016 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – General  
Section 10–307(g)(4) and (5)  
Annotated Code of Maryland  
(2016 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 – Economic Development**

5–501.

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

(b) “Authority” means the Maryland Small Business Development Financing Authority.

5–549.

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

(f) “Program” means the Equity Participation Investment Program.

(h) “Small business” means a business that is classified as a small business under the U.S. Small Business Administration size standards.

**5–559.**

**(A) THIS SECTION APPLIES TO FINANCING PROVIDED UNDER THE PROGRAM DURING FISCAL YEARS 2021 AND 2022 FOR THE PURPOSE OF RELIEVING THE ADVERSE EFFECTS OF THE CORONAVIRUS PANDEMIC.**

**(B) THE AUTHORITY MAY CONVERT TO A GRANT UP TO \$50,000 OF THE FINANCING DESCRIBED UNDER SUBSECTION (A) OF THIS SECTION THAT IS PROVIDED TO A SMALL BUSINESS.**

**Article – Tax – General**

10–207.

(a) To the extent included in federal adjusted gross income, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

**(JJ) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2019, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT OF BENEFITS PAID TO AN INDIVIDUAL IN ACCORDANCE WITH TITLE 8 OF THE LABOR AND EMPLOYMENT ARTICLE.**

**(KK) (1) IN THIS SUBSECTION, “CORONAVIRUS RELIEF PAYMENT” MEANS A FEDERAL, STATE, OR LOCAL GOVERNMENT GRANT OR LOAN:**

**(I) FOR WHICH A PERSON APPLIED ON OR AFTER MARCH 5, 2020; AND**

**(II) THAT WAS PROVIDED TO THE PERSON FOR THE PURPOSE OF ASSISTING WITH THE ECONOMIC HARDSHIPS RESULTING FROM THE CORONAVIRUS PANDEMIC.**

**(2) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2019, BUT BEFORE JANUARY 1, 2022, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT OF A CORONAVIRUS RELIEF PAYMENT, INCLUDING A LOAN THAT HAS BEEN FORGIVEN, RECEIVED BY THE PERSON DURING THE TAXABLE YEAR.**

**(3) (I) THE COMPTROLLER SHALL PUBLISH GUIDANCE TO TAXPAYERS REGARDING ELIGIBILITY FOR THE SUBTRACTION ALLOWED UNDER THIS SUBSECTION, INCLUDING A LIST OF GRANTS AND LOANS THAT ARE ELIGIBLE FOR THE SUBTRACTION.**

**(II) ON REQUEST BY THE COMPTROLLER, A UNIT OF STATE GOVERNMENT OR A LOCAL GOVERNMENT SHALL PROVIDE TO THE COMPTROLLER THE NAME OF THE CORONAVIRUS RELIEF PAYMENT PROGRAMS ADMINISTERED BY THE UNIT OR LOCAL GOVERNMENT AND ANY OTHER REQUESTED INFORMATION REGARDING THOSE CORONAVIRUS RELIEF PAYMENTS.**

**(LL) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2020, BUT BEFORE JANUARY 1, 2022, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT OF ANY STATE ECONOMIC IMPACT PAYMENT RECEIVED BY AN INDIVIDUAL IN ACCORDANCE WITH CHAPTER \_\_\_\_ OR \_\_\_\_ (S.B.**

\_\_\_\_ OR H.B. \_\_\_\_)(1LR0133 OR 1LR0134) OF THE ACTS OF THE GENERAL ASSEMBLY OF 2021.

10-307.

(a) To the extent included in federal taxable income, the amounts under this section are subtracted from the federal taxable income of a corporation to determine Maryland modified income.

(g) The subtraction under subsection (a) of this section includes the amounts allowed to be subtracted for an individual under:

(4) § 10-207(c-1) of this title (State tax-exempt interest from mutual funds); [or]

(5) § 10-207(hh) of this title (Gain on the transfer of property within the Laurel Park site or Pimlico site or Bowie Race Course Training Center property and income realized as result of governmental expenditures); OR

**(6) § 10-207(KK) OF THIS TITLE (CORONAVIRUS RELIEF PAYMENTS).**

11-105.

(a) (1) Except as provided in subsections (b) and (c) of this section, a vendor who timely files a sales and use tax return is allowed, for the expense of collecting and paying the tax, a credit equal to 0.9% of the gross amount of sales and use tax that the vendor is to pay to the Comptroller.

(2) The credit allowed under this section does not apply to any sales and use tax that a vendor is required to pay to the Comptroller for any purchase or use that the vendor makes that is subject to the tax.

(b) (1) Subject to paragraph (2) of this subsection, the credit allowed under this section is 1.2% of the first \$6,000 of the gross amount of sales and use tax that the vendor is to pay with each return.

(2) For a vendor who files or is eligible to file a consolidated return under § 11-502 of this title, the credit allowed under paragraph (1) of this subsection is 1.2% of the first \$6,000 of the gross amount of sales and use tax that the vendor is or would be required to pay with the consolidated return.

(c) (1) The credit allowed under subsection (a) of this section may not exceed \$500 for each return.

(2) For a vendor who files or is eligible to file a consolidated return under § 11-502 of this title, the total maximum credit that the vendor is allowed under this section for all returns filed for any period is \$500.

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

**Article – Labor and Employment**

8–606.

(a) In this Part II of this subtitle the following words have the meanings indicated.

(e) **(1)** [“Rating] **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, “RATING year”** means the 12–month period beginning July 1 and ending June 30 immediately preceding the computation date.

**(2) “RATING YEAR” DOES NOT INCLUDE:**

**(I) THE 12–MONTH PERIOD BEGINNING JULY 1, 2019, AND ENDING JUNE 30, 2020; AND**

**(II) THE 12–MONTH PERIOD BEGINNING JULY 1, 2020, AND ENDING JUNE 30, 2021.**

8–610.

(a) **(1)** An employing unit that meets the qualifications of this subsection shall be assigned an earned rate of contribution that is based on the experience of the employing unit.

**(2)** An employing unit qualifies under this subsection if, during each of the 3 rating years immediately preceding the computation date the employing unit:

(i) had an earned rating record that was chargeable with benefits;  
and

(ii) reports taxable wages as required by § 8–626 of this subtitle for the 3 rating years immediately preceding the computation date.

**(3)** An employing unit that does not qualify under paragraph (2) of this subsection qualifies if:

(i) throughout the rating year immediately preceding the computation date, the employing unit had an earned rating record that was chargeable with benefits; and

(ii) during each of the 2 rating years immediately preceding the computation date, the employing unit reports taxable wages as required by § 8–626 of this subtitle for the 2 rating years immediately preceding the computation date.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) This section does not apply to a sale by a marketplace seller, as defined under § 11–101 of the Tax – General Article.

(b) (1) Subject to subsection (d) of this section, a vendor is allowed a credit against the gross amount of sales and use tax for any of the 4 consecutive months immediately following the month in which this Act takes effect if, for that month:

(i) the vendor timely files a sales and use tax return or consolidated return; and

(ii) the gross amount of sales and use tax that the vendor is required to pay with the return does not exceed \$6,000.

(2) The credit allowed under paragraph (1) of this subsection is equal to the lesser of:

(i) the amount of sales and use tax collected during the month for which the vendor qualifies for the credit under paragraph (1) of this subsection; or

(ii) \$3,000.

(c) A vendor may take the credit provided in paragraph (1) of this subsection by reducing the gross amount of sales and use tax that the vendor is required to pay to the Comptroller in accordance with Title 11 of the Tax – General Article by the amount of the credit.

(d) A vendor may not take the credit allowed under § 11–105 of the Tax – General Article for the same period for which the vendor applies the credit allowed under this section against a return.

SECTION 4. AND BE IT FURTHER ENACTED, That, as soon as practicable after the effective date of this Act, the Comptroller shall send by first-class mail to or direct deposit in the financial institution accounts of each taxpayer who received a State earned income tax credit in accordance with § 10–704 of the Tax – General Article, the following amounts as State economic impact payments:

(1) with respect to a taxpayer who received a State earned income tax credit for the taxable year beginning after December 31, 2018, but before January 1, 2020:

(i) \$300 for an individual other than an individual described under items (ii) or (iii) of this item;

(ii) \$250 for an individual filing as married filing separately; or

(iii) \$500 for spouses filing a joint return or for a surviving spouse or head of household as defined in § 2 of the Internal Revenue Code; and

(2) with respect to a taxpayer who received a State earned income tax credit for the taxable year beginning after December 31, 2019, but before January 1, 2021:

(i) \$150 for an individual other than an individual described under items (ii) or (iii) of this item;

(ii) \$125 for an individual filing as married filing separately; or

(iii) \$250 for spouses filing a joint return or for a surviving spouse or head of household as defined in § 2 of the Internal Revenue Code.

**SECTION 5. AND BE IT FURTHER ENACTED, That:**

(a) Subject to subsection (c) of this section, on the first day of each month following the effective date of this Act, the Comptroller shall report to the Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly on the status of the delivery of State economic impact payments required under Section 4 of this Act and any obstacles that are preventing or slowing the payments.

(b) On or before December 31, 2021, and December 31, 2022, the Comptroller shall report to the Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly the amount of money paid in State economic impact payments and the number of taxpayers who received a payment under Section 4 of this Act for calendar years 2021 and 2022.

(c) Following the submission by the Comptroller of the report due on or before December 31, 2022, under subsection (b) of this section, the Comptroller is not required to provide the monthly reports required under subsection (a) of this section.

**SECTION 6. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2021, the Governor may transfer to the Recovery Now Fund established under this Act:**

(1) \$320,000,000 of the funds in the Revenue Stabilization Account established under § 7–311 of the State Finance and Procurement Article; and

(2) \$100,000,000 of the funds in the Local Reserve Account established to comply with § 2–606 of the Tax – General Article.

**SECTION 7. AND BE IT FURTHER ENACTED, That:**



(a) In this section, “Fund” means the Recovery Now Fund.

(b) There is a Recovery Now Fund.

(c) The purpose of the Fund is to receive specified money to be spent on specified purposes on or before June 30, 2021.

(d) (1) The Department of Budget and Management shall administer the Fund.

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

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

(e) The Fund consists of money transferred to the Fund as authorized under this Act.

(f) (1) Except as otherwise provided in this Act, money in the Fund shall be retained in the Fund and may not be spent for any purpose.

(2) Except as otherwise provided by law, any unspent balance in the Fund on June 30, 2021, shall revert to the General Fund.

(3) Notwithstanding the requirements of Section 27 of Chapter 19 of the Acts of 2020 and the budget amendment procedure provided in Title 7, Subtitle 2 of the State Finance and Procurement Article, of the money credited to the Fund up to the following specified amounts may be used for fiscal year 2021 for the following purposes in addition to the amounts authorized under Chapter 19 of the Acts of 2020:

<u>Appropriation Code</u>	<u>Program Title</u>	<u>Amount</u>
<u>N00G00.08</u>	<u>Assistance Payments</u>	<u>\$22,000,000</u>
<u>D50H01.06</u>	<u>Maryland Emergency Management Agency</u>	<u>\$13,000,000</u>
<u>N00I00.07</u>	<u>Office of Grants Management</u>	<u>\$10,000,000</u>
<u>N00I00.06</u>	<u>Office of Home Energy Programs</u>	<u>\$9,000,000</u>
<u>M00R01.03</u>	<u>Maryland Community Health Resource Commission</u>	<u>\$5,000,000</u>
<u>S00A24.01</u>	<u>Neighborhood Revitalization</u>	<u>\$30,000,000</u>
<u>T00G00.05</u>	<u>Maryland State Arts Council</u>	<u>\$10,000,000</u>
<u>T00F00.23</u>	<u>Maryland Economic Development Assistance Authority and Fund</u>	<u>\$40,000,000</u>
<u>T00F00.23</u>	<u>Maryland Economic Development Assistance Authority and Fund</u>	<u>\$26,000,000</u>
<u>T00F00.23</u>	<u>Maryland Economic Development Assistance Authority and Fund</u>	<u>\$10,000,000</u>

## SENATE BILL 496

	<u>Assistance Authority and Fund</u>	
<u>S00A24.01</u>	<u>Neighborhood Revitalization</u>	<u>\$10,000,000</u>
<u>T00F00.15</u>	<u>Maryland Small, Minority, and</u>	<u>\$10,000,000</u>
	<u>Women–Owned Businesses Account</u>	
<u>P00G01.07</u>	<u>Workforce Development</u>	<u>\$10,000,000</u>
<u>T50T01.01</u>	<u>Technology Development, Transfer</u>	<del><u>\$10,000,000</u></del>
	<u>and Commercialization</u>	<u>\$1,500,000</u>
<u>S00A20.01</u>	<u>Office of the Secretary</u>	<u>\$5,000,000</u>
<u>L00A12.20</u>	<u>Maryland Agricultural and</u>	<u>\$3,500,000</u>
	<u>Resource–Based Industry</u>	
	<u>Development Corporation</u>	
<u>S00A24.01</u>	<u>Neighborhood Revitalization</u>	<u>\$5,000,000</u>
<u>T00F00.23</u>	<u>Maryland Economic Development</u>	<u>\$3,000,000</u>
	<u>Assistance Authority and Fund</u>	
<u>T00G00.03</u>	<u>Maryland Tourism Development</u>	<u>\$1,000,000</u>
	<u>Board</u>	
<del><u>P00H01.01</u></del>	<del><u>Office of Unemployment Revenue</u></del>	<del><u>\$40,000,000</u></del>
<u>E00A04.01</u>	<u>Administration Division Insurance</u>	
<u>P00H01.01</u>	<u>Office of Unemployment Insurance</u>	<u>\$3,000,000</u>
<u>P00H01.01</u>	<u>Office of Unemployment Insurance</u>	<u>\$1,000,000</u>
<u>J00H01.02</u>	<u>Bus Operations</u>	<u>\$30,000,000</u>
<u>J00B01.02</u>	<u>State System Maintenance</u>	<u>\$25,000,000</u>
<u>T00F00.23</u>	<u>Maryland Economic Development</u>	<u>\$8,000,000</u>
	<u>Assistance Authority and Fund</u>	
<u>M00L01.02</u>	<u>Community Services</u>	<u>\$20,000,000</u>
<u>M00R01.03</u>	<u>Maryland Community Health</u>	<u>\$14,000,000</u>
	<u>Resource Commission</u>	
<u>M00F06.01</u>	<u>Office of Preparedness and Response</u>	<u>\$10,000,000</u>
<u>M00F06.01</u>	<u>Office of Preparedness and Response</u>	<u>\$1,000,000</u>
<u>S00A25.05</u>	<u>Rental Services</u>	<u>\$25,000,000</u>
<u>C00A00.06</u>	<u>Administrative Office of the Courts</u>	<u>\$3,000,000</u>
<u>R62I00.05 and</u>	<u>Aid to Community Colleges and</u>	<u>\$15,000,000</u>
<u>R95C00</u>	<u>Baltimore City Community College</u>	
<u>R00A01.15</u>	<u>Juvenile Services Education Program</u>	<u>\$1,000,000</u>

(4) (i) Notwithstanding any other provision of law and subject to subparagraph (ii) of this paragraph, for purposes of the amount authorized under paragraph (3) of this subsection for the Temporary Disability Assistance Program (N00G00.08), for the remainder of fiscal year 2021, the maximum monthly allowable assistance under the Program shall be increased by \$100 each month for the remainder of fiscal year 2021.

(ii) 1. Except as the result of a final determination of a Supplemental Security Income claim, the recipient of payments under the Program may not be removed from the Program before July 1, 2021.

2. A recipient of payments who was denied payments on or after July 1, 2020, shall be reenrolled in the Program until July 1, 2021, unless the denial of Program payments was the result of a final determination of a Supplemental Security Income claim.

(5) For purposes of the amount authorized under paragraph (3) of this subsection for the Maryland Emergency Management Agency (D50H01.06), the Agency shall distribute the amount authorized as grants to volunteer fire departments and rescue squads.

(6) For purposes of the amount authorized under paragraph (3) of this subsection for the Office of Grants Management (N00I00.07), the Office shall distribute the amount authorized to the Maryland Food Bank and Capital Area Foodbank.

(7) For purposes of the amount authorized under paragraph (3) of this subsection for the Office of Home Energy Programs (N00I00.06), the Office shall distribute the amount authorized as grants to assist households with utility arrearages.

(8) For purposes of the \$5,000,000 authorized under paragraph (3) of this subsection for the Maryland Community Health Resource Commission (M00R01.03), the Commission shall provide grants to community providers of services under Title 7 of the Health – General Article to support pandemic-related reopening, transformation, and revenue loss.

(9) For purposes of the \$30,000,000 authorized under paragraph (3) of this subsection for Neighborhood Revitalization (S00A24.01), the Department of Housing and Community Development shall distribute the money to local governments to provide grants to nonprofits that can demonstrate need with priority given to organizations that have not received assistance through the Neighborhood Revitalization Program.

(10) (i) Subject to subparagraph (ii) of this paragraph, for purposes of the amount authorized under paragraph (3) of this subsection for the Maryland State Arts Council (T00G00.05), the Council shall provide emergency art grants to artists, art districts, and art organizations.

(ii) The Council shall prioritize grants to organizations that have not received prior funding from the Council or do not qualify for funding under other Council programs.

(11) (i) Subject to subparagraph (ii) of this paragraph, for purposes of the \$40,000,000 authorized under paragraph (3) of this subsection for the Maryland Economic Development Assistance Authority and Fund (T00F00.23), the Authority shall provide up to \$12,000 grants to businesses that:

1. do not engage in a business activity that requires the business to collect sales and use tax; and

2. can demonstrate a need for assistance.

(ii) 1. At least 15% of the amount distributed under subparagraph (i) of this paragraph shall be distributed to disadvantaged businesses.

2. The Authority shall prioritize providing grants to businesses that have not received prior funding from the Authority.

(12) (i) Subject to subparagraph (ii) of this paragraph, for purposes of the \$26,000,000 authorized under paragraph (3) of this subsection for the Maryland Economic Development Assistance Authority and Fund (T00F00.23), the Authority shall provide funding to local governments to provide up to \$12,000 grants to businesses that:

1. are primarily engaged in activities that, in accordance with the North American Industrial Classification System, would be included in Code 722320 (Caterers), Code 7224 (Drinking Places (Alcoholic Beverages)), or Code 7225 (Restaurants and Other Eating Places); and

2. can demonstrate a need for assistance.

(ii) 1. At least 15% of the amount distributed under subparagraph (i) of this paragraph shall be distributed to disadvantaged businesses.

2. The Authority shall prioritize providing grants to businesses that have not received prior funding from the Authority.

(13) (i) Subject to subparagraph (ii) of this paragraph, for purposes of the \$10,000,000 authorized under paragraph (3) of this subsection for the Maryland Economic Development Assistance Authority and Fund (T00F00.23), the Authority shall provide funding to local governments to provide up to \$25,000 grants to businesses that:

1. are primarily engaged in activities that, in accordance with the North American Industrial Classification System, would be included in Code 721110 (Hotels (except Casino Hotels) and Motels) or Code 721191 (Bed-and-Breakfast Inns); and

2. can demonstrate a need for assistance.

(ii) The Authority shall prioritize providing grants to businesses that have not received prior funding from the Authority.

(14) (i) ~~For~~ Subject to subparagraph (ii) of this paragraph, for purposes of the \$10,000,000 authorized under paragraph (3) of this subsection for Neighborhood Revitalization (S00A24.01), the Department of Housing and Community Development shall provide grants to ~~the 12 largest~~ entertainment venues ~~in the State~~, or promoters of live performances.

(ii) The Department shall prioritize providing grants to entertainment venues or promoters:

1. that closed or cancelled live performances due to capacity limitations in response to the pandemic; and

2. for which any previously received State or federal stimulus funds due to the size of the venue were not sufficient to cover the fixed-costs of the entertainment venue or promoter.

(15) For purposes of the amount authorized under paragraph (3) of this subsection for the Maryland Small, Minority, and Women-Owned Businesses Account (T00F00.15), the amount shall be used as provided under § 5-1501 of the Economic Development Article.

(16) (i) Subject to subparagraph (ii) of this paragraph, for purposes of the amount authorized under paragraph (3) of this subsection for Workforce Development (P00G01.07), the Maryland Department of Labor shall distribute funds directly to local workforce development boards according to the same formula used to distribute fiscal year 2021 Federal Workforce Innovation and Opportunity Act adult funds to local workforce areas.

(ii) The local workforce development boards shall utilize the funds to engage, upskill, and connect residents to employment, including providing subsidized employment opportunities for the unemployed, youth (ages 16–24), adults, ex-offenders, and other populations who are in need of reemployment assistance.

(17) (i) For purposes of the amount authorized under paragraph (3) of this subsection for Technology Development, Transfer, and Commercialization (T50T01.01), the Maryland Technology Development Corporation, ~~in consultation with the Maryland Agriculture and Resource-Based Industry Development Corporation,~~ shall provide grants to Maryland's rural and agricultural businesses.

(ii) For purposes of the amount authorized under paragraph (3) of this subsection for the Office of the Secretary (S00A20.01), the Secretary shall provide grants for rural broadband programs.

(iii) For purposes of the amount authorized under paragraph (3) of this subsection for the Maryland Agricultural and Resource-Based Industry Development Corporation (L00A12.20), the Corporation shall provide grants to rural and agricultural businesses.

(18) For purposes of the \$5,000,000 authorized under paragraph (3) of this subsection for Neighborhood Revitalization (S00A24.01), the Department of Housing and Community Development shall establish a grant program to help preserve the State's main street economies.

(19) For purposes of the \$3,000,000 authorized under paragraph (3) of this subsection for the Maryland Economic Development Assistance Authority and Fund (T00F00.23), the Authority shall provide grants to businesses in distressed communities to assist the businesses in setting up an online sales framework and offering employees telework opportunities.

(20) For purposes of the amount authorized under paragraph (3) of this subsection for the Maryland Tourism Development Board (T00G00.03), the Board shall use the amount authorized to market Maryland small businesses for tourism.

~~(21) For purposes of the \$40,000,000 authorized under paragraph (3) of this subsection for the Office of Unemployment Insurance (P00H01.01), the Maryland Department of Labor shall provide a \$1,000 grant to any individual whose unemployment benefits have been suspended, provided that the suspension is not related to an allegation of fraud.~~

(21) (i) For purposes of the \$40,000,000 authorized under paragraph (3) of this subsection for the Revenue Administration Division (E00A04.01), the Comptroller shall provide a \$1,000 grant to any individual whose claim for unemployment benefits is pending a determination of eligibility and has been in adjudication for at least 30 days, except for a claim where the failure to determine eligibility is related to an allegation of fraud.

(ii) The Secretary of Labor shall send to the Comptroller:

1. by March 3, 2021, a list of all individuals eligible for a grant under subparagraph (i) of this paragraph as of February 28, 2021;

2. by April 5, 2021, a list of all individuals eligible for a grant under subparagraph (i) of this paragraph as of March 31, 2021;

3. by May 5, 2021, a list of all individuals eligible for a grant under subparagraph (i) of this paragraph as of April 30, 2021;

4. by June 3, 2021, a list of all individuals eligible for a grant under subparagraph (i) of this paragraph as of May 31, 2021;

5. by July 6, 2021, a list of all individuals eligible for a grant under subparagraph (i) of this paragraph as of June 30, 2021; and

6. any information necessary to distribute the grants under subparagraph (i) of this paragraph.

(iii) An individual may not receive more than one grant under subparagraph (i) of this paragraph.

(22) For purposes of the \$3,000,000 authorized under paragraph (3) of this subsection for the Office of Unemployment Insurance (P00H01.01), the Maryland Department of Labor shall hire additional caseworkers to assist Maryland residents with accessing unemployment insurance benefits.

(23) For purposes of the \$1,000,000 authorized under paragraph (3) of this subsection for the Office of Unemployment Insurance (P00H01.01), the Maryland Department of Labor shall ~~increase workshare program participation with the goal of reaching at least 5% participation~~ contract with a professional marketing and communications firm to develop and implement a work sharing unemployment insurance marketing campaign.

(24) For purposes of the \$8,000,000 authorized under paragraph (3) of this subsection for the Maryland Economic Development Assistance Authority and Fund (T00F00.23), the Authority shall assist private commuter and shuttle bus operators, including entities that provide commuter and shuttle bus services contractually to governmental entities, with losses that are a result of the COVID-19 pandemic.

(25) For purposes of the amount authorized under paragraph (3) of this subsection for Community Services (M00L01.02), the Maryland Department of Health shall provide mobile crisis and stand-alone walk-in crisis services for the treatment of community mental health and substance use disorders.

(26) For purposes of the \$14,000,000 authorized under paragraph (3) of this subsection for the Maryland Community Health Resource Commission (M00R01.03), the Commission shall provide grants to:

- (i) reduce health disparities;
- (ii) improve health outcomes;
- (iii) improve access to primary care;
- (iv) promote primary and secondary prevention services; and
- (v) reduce health care costs and hospital admissions and readmissions.

(27) For purposes of the \$10,000,000 authorized under paragraph (3) of this subsection for the Office of Preparedness and Response (M00F06.01), the Office shall provide a grant to each county for vaccine outreach and training, provided that at least \$1,500,000 shall be provided to the University of Maryland Baltimore Campus to assist with mobile vaccine administration.

(28) For purposes of the \$1,000,000 authorized under paragraph (3) of this subsection for the Office of Preparedness and Response (M00F06.01), the Office shall provide outreach, recruitment, and training for individuals.

(29) For purposes of the amount authorized under paragraph (3) of this subsection for Rental Services (S00A25.05), the Department of Housing and Community Development shall provide grants to pay for housing debt or up to 30 days of emergency housing.

(30) For purposes of the amount authorized under paragraph (3) of this subsection for the Administrative Office of the Courts (C00A00.06), the Office shall provide a grant to the Maryland Legal Services Corporation to pay for legal assistance for individuals facing eviction.

(31) For purposes of the amount authorized under paragraph (3) of this subsection for Aid to Community Colleges (R62I00.05) and Baltimore City Community College (R95C00), the Maryland Higher Education Commission shall increase the resources of community colleges to offer services to students or members of the community who are seeking training or other assistance to improve their job skills or reenter the workplace after losing a job or being otherwise negatively impacted by the pandemic. The funds should be allocated proportional to each college's share of total State aid provided under §§ 16-305 and 16-512 of the Education Article in fiscal year 2021.

(32) For purposes of the amount authorized under paragraph (3) of this subsection for the Juvenile Services Education Program (R00A01.15), the State Department of Education shall enhance the educational services provided to children in the Juvenile Services System.

(g) (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 General Fund of the State.

(h) Money expended from the Fund for any program or purpose is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for the program or purpose.

(i) ~~(1)~~ On or before the second Wednesday after enactment of this Act and every 2 weeks thereafter, the Department of Budget and Management shall report to the General Assembly, in accordance with § 2-1257 of the State Government Article, on:

~~(i)~~ (1) deposits into and distributions from the Fund; and

~~(ii)~~ (2) for each program listed under subsection (f)(3) of this section:

~~1.~~ (i) the amount distributed to the program;

2. (ii) if available, the individuals or organizations that were served by the program;



~~3. (iii) the amount spent or encumbered for the purposes of the program and any remaining balance in the Fund; and~~

~~4. (iv) plans to allocate the remaining balance in the Fund.~~

~~(2) (i) On or before the second Wednesday after enactment of this Act and every 2 weeks thereafter, the State Department of Education shall report to the General Assembly, in accordance with § 2-1257 of the State Government Article, and to the Department of Budget and Management on:~~

~~1. distributions to each eligible school; and~~

~~2. for each item in Section 8 of this Act;~~

~~A. how the funds were used;~~

~~B. the number of students served by the funds disaggregated by income and racial demographics;~~

~~C. the amount encumbered; and~~

~~D. plans to use remaining funds.~~

~~(ii) The information provided under subparagraph (i) of this paragraph for public schools in each county may be aggregated for each county.~~

~~SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2021, the Governor may process a budget amendment to transfer from the Blueprint for Maryland's Future Fund established under § 5-219 of the Education Article to the Blueprint for Maryland's Future Grant Program (R00A02.60) the following amounts for the following purposes:~~

~~(1) \$50,000,000 to the county boards of education to provide 8 weeks of summer school or tutoring services during the summer, provided that the amounts shall be distributed proportional to the number of public school students who qualify for free or reduced priced meals in the county as compared to the number of total public school students who qualify for free or reduced priced meals in the State; and~~

~~(2) \$50,000,000 to county boards of education to safely move toward delivering in-person education with priority given to special education students, students without reliable broadband service, and students who have shown a need for in-person education in order to succeed, and the amounts shall be distributed proportional to the number of public school students enrolled in the county as compared to the number of total public school students enrolled in the State.~~

SECTION 8. AND BE IT FURTHER ENACTED, That:

(a) (1) In this section the following words have the meanings indicated.

(2) “Eligible schools” includes:

- (i) public schools in each county;
- (ii) the Maryland School for the Deaf;
- (iii) the Maryland School for the Blind;
- (iv) the SEED School of Maryland; and
- (v) nonpublic placement schools.

(3) “Students” includes students enrolled in:

- (i) public schools in each county;
- (ii) the Maryland School for the Deaf;
- (iii) the Maryland School for the Blind;
- (iv) the SEED School of Maryland; and
- (v) nonpublic placement schools.

(b) Notwithstanding any other provision of law, on or before June 30, 2021, the Governor may process a budget amendment to transfer from The Blueprint for Maryland’s Future Fund established under § 5–219 of the Education Article to The Blueprint for Maryland’s Future Grant Program (R00A02.60) the following amounts for the following purposes:

(1) \$50,000,000 to the State Department of Education to distribute to the eligible schools to provide 8 weeks of summer school or tutoring services during the summer for at least 25,000 students, provided that the amounts shall be distributed proportional to the number of students who qualify for free or reduced price meals in the eligible school as compared to the number of total students who qualify for free or reduced price meals in the State, and provided that the funds allocated to public schools shall be distributed by the Department to the county boards of education; and

(2) \$50,000,000 to the State Department of Education to distribute to the eligible schools to safely move toward delivering in–person education with priority given to special education students, students without reliable broadband service, and students who have shown a need for in–person education in order to succeed, provided that the amounts shall be distributed proportional to the number of students enrolled in the eligible school as compared to the number of total students enrolled in the State, and provided that the

funds allocated to public schools shall be distributed by the Department to the county boards of education.

(c) (1) On or before the second Wednesday after enactment of this Act and every 2 weeks thereafter, the State Department of Education shall report to the General Assembly, in accordance with § 2–1257 of the State Government Article, and to the Department of Budget and Management on:

(i) distributions to each eligible school; and

(ii) for each item in subsection (b) of this section:

1. how the funds were used;

2. the number of students served by the funds disaggregated by income and racial demographics;

3. the amount encumbered; and

4. plans to use remaining funds.

(2) The information provided under paragraph (1) of this subsection for public schools in each county may be aggregated for each county.

SECTION 9. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that:

(1) to the extent practicable, funds authorized under Sections 7 and 8 of this Act be distributed ~~equally~~ proportionally by population across the State; ~~and~~

(2) grants that are required to go to disadvantaged businesses under subparagraph (f)(11)(ii)1 and (12)(ii)1 of Section 7 of this Act be distributed to businesses that qualify for investment capital and loans under § 5–1501 of the Economic Development Article; and

(3) if federal funds become available for any purpose authorized under Section 7 or 8 of this Act, the federal funds shall be used to supplant and may not supplement the funds otherwise authorized under Section 7 or 8 of this Act.

SECTION 10. AND BE IT FURTHER ENACTED, That:

(a) The Comptroller shall perform a cash flow analysis of the Local Reserve Account established to comply with § 2–606 of the Tax – General Article, beginning with the April 30, 2021, distribution through the September 30, 2022, distribution to determine how much of the balance is needed to make income tax distributions to the local jurisdictions during this period and how much can be used to support COVID–19–related expenses.

(b) On or before April 1, 2021, the Comptroller shall report to the Senate Budget and Taxation Committee and the House Appropriations Committee, in accordance with § 2–1257 of the State Government Article, and the Maryland Association of Counties on the results of the cash flow analysis required under subsection (a) of this section.

SECTION ~~6~~ 11. AND BE IT FURTHER ENACTED, That, at the end of June 30, 2025, Section 2 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

SECTION ~~7~~ 12. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a ye and nay vote supported by three–fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.