

SB0391/593024/1

BY: Ways and Means Committee

AMENDMENTS TO SENATE BILL 391
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 4, after “of” insert “establishing the purpose of the More Jobs for Marylanders Program;”; in lines 6 and 7, strike “More Jobs for Marylanders”; in line 7, after “Program;” insert “altering eligibility for enrollment in the Program and for certain benefits under the Program; prohibiting the Department from awarding initial tax credit certificates exceeding a certain amount for qualified business entities provided a certain certificate on or after a certain date; altering the manner in which certain excess tax credit amounts may be utilized;”; in line 14, strike “and (i) through (m), 6–803(a), (b)(1),” and substitute “(i), (j), (l), and (m), and 6–803(b)(1)”; in lines 14 and 15, strike “, and 6–804”; and in line 20, after “Section” insert “6–801(k), 6–802, 6–803(a), 6–804, and”.

On page 2, after line 1, insert:

“BY repealing and reenacting, with amendments,
Article – Corporations and Associations
Section 1–203.1(b)
Annotated Code of Maryland
(2014 Replacement Volume and 2021 Supplement)”;

in line 4, strike “through (c)” and substitute “and (c) and 11–411(b)”; in line 9, strike “10–741(d)” and substitute “10–741(b) and (d) and 11–411(a)”; and after line 11, insert:

“BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 9–110(a)
Annotated Code of Maryland
(2019 Replacement Volume and 2021 Supplement)”

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BY repealing and reenacting, without amendments,
Article – Tax – Property
Section 9–110(b)
Annotated Code of Maryland
(2019 Replacement Volume and 2021 Supplement)”.

AMENDMENT NO. 2

On page 3, in line 19, after “means” insert “:

(I) IF THE POSITION IS FILLED BEFORE OCTOBER 1, 2022;

in lines 20, 21, 26, 27, and 28, strike “(i)”, “(ii)”, “(iii)”, “(iv)”, and “(v)”, respectively, and substitute “**1.**”, “**2.**”, “**3.**”, “**4.**”, and “**5.**”, respectively; in line 21, strike “2” and substitute “**B**”; in lines 21 and 24, strike “1.” and “2.”, respectively, and substitute “**A.**” and “**B.**”, respectively; and in line 28, after “filled” insert “;**OR**”

(II) IF THE POSITION IS FILLED ON OR AFTER OCTOBER 1, 2022, A POSITION THAT:

- 1. IS FULL-TIME AND OF INDEFINITE DURATION;**
- 2. A. EXCEPT AS PROVIDED IN ITEM B OF THIS ITEM, FOR A POSITION IN A FACILITY THAT IS LOCATED IN AN OPPORTUNITY ZONE, PAYS AN AVERAGE ANNUAL SALARY THAT EXCEEDS \$50,000; OR**
 - B. FOR A POSITION IN A FACILITY OF A BUSINESS ENTITY DESCRIBED UNDER SUBSECTION (C)(1)(I) OF THIS SECTION, PAYS AT LEAST 150% OF THE STATE MINIMUM WAGE;**
- 3. PROVIDES CAREER ADVANCEMENT TRAINING;**
- 4. AFFORDS THE EMPLOYEE THE RIGHT TO COLLECTIVELY BARGAIN FOR WAGES AND BENEFITS;**
- 5. PROVIDES PAID LEAVE;**

6. IS CONSIDERED COVERED EMPLOYMENT FOR PURPOSES OF UNEMPLOYMENT INSURANCE BENEFITS IN ACCORDANCE WITH TITLE 8 OF THE LABOR AND EMPLOYMENT ARTICLE;

7. ENTITLES THE EMPLOYEE TO WORKERS' COMPENSATION BENEFITS IN ACCORDANCE WITH TITLE 9 OF THE LABOR AND EMPLOYMENT ARTICLE;

8. OFFERS EMPLOYER-PROVIDED HEALTH INSURANCE BENEFITS WITH MONTHLY PREMIUMS THAT DO NOT EXCEED 8.5% OF THE EMPLOYEE'S NET MONTHLY EARNINGS;

9. OFFERS RETIREMENT BENEFITS;

10. IS LOCATED IN A FACILITY;

11. IS NEWLY CREATED AT A SINGLE FACILITY IN THE STATE; AND

12. IS FILLED".

On page 4, after line 17, insert:

"6-802.

(A) There is a More Jobs for Marylanders Program in the Department.

(B) THE PURPOSE OF THE PROGRAM TO:

(1) INCENTIVIZE THE CREATION OF NEW MANUFACTURING JOBS IN THE STATE; AND

(Over)

(2) ATTRACT NEW BUSINESSES TO AND ENCOURAGE THE EXPANSION OF EXISTING BUSINESSES WITHIN OPPORTUNITY ZONES.”;

in lines 21 and 23, in each instance, after “intends” insert “:

(I) WITH RESPECT TO NOTICE PROVIDED UNDER THIS SECTION TO THE DEPARTMENT BEFORE JUNE 1, 2022,”;

in line 22, after “or” insert:

“(II) WITH RESPECT TO NOTICE PROVIDED UNDER THIS SECTION TO THE DEPARTMENT ON OR AFTER JUNE 1, 2022, TO CREATE AT LEAST 10 QUALIFIED POSITIONS AT THE PROJECT LOCATION; OR”;

and in line 24, after “location” insert “;**OR**

(II) WITH RESPECT TO NOTICE PROVIDED UNDER THIS SECTION TO THE DEPARTMENT ON OR AFTER JUNE 1, 2022, TO CREATE AT LEAST 20 QUALIFIED POSITIONS AT THE PROJECT LOCATION”.

On page 5, in line 9, strike “The” and substitute “**(1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE**”; after line 10, insert:

“(2) IN THE CASE OF A QUALIFIED BUSINESS ENTITY THAT IS LOCATED IN A TIER II AREA AND IS PROVIDED A CERTIFICATE UNDER § 6-805 OF THIS SUBTITLE ON OR AFTER JUNE 1, 2022, THE PROGRAM BENEFITS AUTHORIZED UNDER THIS SECTION MAY BE CLAIMED BY THE QUALIFIED BUSINESS ENTITY FOR UP TO 5 CONSECUTIVE BENEFIT YEARS.”;

in line 12, after “area” insert “THAT IS PROVIDED A CERTIFICATE UNDER § 6–805 OF THIS SUBTITLE BEFORE JUNE 1, 2022”; and in line 22, after “section,” insert “A NEW BUSINESS ENTITY NOT DESCRIBED UNDER ITEM (1) OF THIS SUBSECTION OR”.

On page 6, in line 13, strike “2027” and substitute “2024”; and after line 13, insert:

“Article – Corporations and Associations

1–203.1.

(b) A qualified business entity that is a new business entity in a Tier I area, as defined under the More Jobs for Marylanders Program established under Title 6, Subtitle 8 of the Economic Development Article, is not subject to the fees enumerated in § 1–203 of this subtitle IF THE QUALIFIED BUSINESS ENTITY RECEIVED A CERTIFICATE UNDER § 6–805 OF THE ECONOMIC DEVELOPMENT ARTICLE BEFORE JUNE 1, 2022.

Article – Tax – General

11–411.

- (a) (1) In this section the following words have the meanings indicated.
- (2) “Business entity” has the meaning stated in § 6–801 of the Economic Development Article.
- (3) “Department” means the Department of Commerce.
- (4) “Eligible project” has the meaning stated in § 6–801 of the Economic Development Article.

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(5) “New business entity” has the meaning stated in § 6–801 of the Economic Development Article.

(6) “Program” means the More Jobs for Marylanders Program established under Title 6, Subtitle 8 of the Economic Development Article.

(7) “Qualified business entity” means a new business entity operating an eligible project under Title 6, Subtitle 8 of the Economic Development Article **IF THE BUSINESS ENTITY RECEIVED A CERTIFICATE UNDER § 6–805 OF THE ECONOMIC DEVELOPMENT ARTICLE BEFORE JUNE 1, 2022.**

(8) “Qualified personal property or services” means personal property or services purchased for use at an eligible project by a qualified business entity that is enrolled in the Program.

(9) “Reserve Fund” means the More Jobs for Marylanders Sales and Use Tax Refund Reserve Fund established under this section.

(b) Except as provided in § 6–805(b) of the Economic Development Article and subject to subsection (c) of this section, a qualified business entity is entitled to a refund for the amount of sales and use tax paid by the qualified business entity during the immediately preceding calendar year for a sale of qualified personal property or services made on or after January 1, 2018, if the qualified personal property or services are purchased by the qualified business entity solely for use at an eligible project while the project is enrolled in the Program.

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

On page 7, strike beginning with “the” in line 12 down through “title;” in line 13 and substitute

“1. IF THE QUALIFIED BUSINESS ENTITY RECEIVED A CERTIFICATE UNDER § 6-805 OF THE ECONOMIC DEVELOPMENT ARTICLE BEFORE JUNE 1, 2022, 5.75%; OR

2. IF THE QUALIFIED BUSINESS ENTITY RECEIVED A CERTIFICATE UNDER § 6-805 OF THE ECONOMIC DEVELOPMENT ARTICLE ON OR AFTER JUNE 1, 2022, 4.75%”.

On page 8, in line 11, after “than” insert “:

A. WITH RESPECT TO QUALIFIED BUSINESS ENTITIES PROVIDED A CERTIFICATE UNDER § 6-805 OF THE ECONOMIC DEVELOPMENT ARTICLE BEFORE JUNE 1, 2022,”;

in the same line, after “year” insert “;AND

B. WITH RESPECT TO QUALIFIED BUSINESS ENTITIES PROVIDED A CERTIFICATE UNDER § 6-805 OF THE ECONOMIC DEVELOPMENT ARTICLE ON OR AFTER JUNE 1, 2022, \$5,000,000 IN A FISCAL YEAR”;

and in line 15, strike “and may be issued under initial tax credit certificates for the next fiscal year”.

On page 9, after line 13, insert:

“SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Tax – Property

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

(2) “Business entity” has the meaning stated in § 6–801 of the Economic Development Article.

(3) “Eligible project” has the meaning stated in § 6–801 of the Economic Development Article.

(4) “New business entity” has the meaning stated in § 6–801 of the Economic Development Article.

(5) “Qualified business entity” means a new business entity operating an eligible project in a Tier I area, as defined under § 6–801 of the Economic Development Article, **IF THE BUSINESS ENTITY RECEIVED A CERTIFICATE UNDER § 6–805 OF THE ECONOMIC DEVELOPMENT ARTICLE BEFORE JUNE 1, 2022.**

(6) “Qualified position” has the meaning stated in § 6–801 of the Economic Development Article.

(7) “Qualified property” means real property where an eligible project is located.

(b) (1) There is a credit against the State property tax under this section imposed on real property owned by a qualified business entity enrolled in the More Jobs for Marylanders Program established under Title 6, Subtitle 8 of the Economic Development Article.

SECTION 4. AND BE IT FURTHER ENACTED, That:

(a) Section 2 of this Act shall be applicable to all taxable years beginning after December 31, 2021.

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(b) Section 3 of this Act shall be applicable to all taxable years beginning after June 30, 2022.

SECTION 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, 2022.”;

in line 14, strike “2.” and substitute “6.”; in the same line, after “That” insert “, except as provided in Section 5 of this Act.”; and in the same line, strike “July” and substitute “June”.