

HOUSE BILL 158

C8

(PRE-FILED)

2lr0710
CF SB 554

By: **Delegate J. Lewis**

Requested: October 7, 2021

Introduced and read first time: January 12, 2022

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 13, 2022

CHAPTER _____

1 AN ACT concerning

2 **Maryland New Start Act of 2022**

3 FOR the purpose of establishing the Maryland New Start ~~Pilot~~ Grant Program in the
4 Department of ~~Commerce~~ Labor to provide certain grants to organizations to create
5 or support certain entrepreneurship development programs to provide assistance to
6 certain formerly imprisoned individuals ~~and~~; establishing the Maryland New Start
7 Microloan Program in the Department of Commerce to provide loans to certain
8 individuals participating in those programs; establishing the Maryland New Start
9 Pilot Microloan Program Fund as a special, nonlapsing fund; requiring the Governor,
10 for certain fiscal years, to include ~~an appropriation~~ certain appropriations in the
11 annual budget bill for ~~the Fund~~ certain purposes; requiring interest earnings of the
12 Fund to be credited to the Fund; and generally relating to the Maryland New Start
13 Pilot Program Grant and Microloan Programs.

14 BY adding to

15 Article – Economic Development

16 Section 5–1901 through ~~5–1907~~ 5–1906 to be under the new subtitle “Subtitle 19.

17 Maryland New Start ~~Pilot~~ Microloan Program”

18 Annotated Code of Maryland

19 (2018 Replacement Volume and 2021 Supplement)

20 BY adding to

21 Article – Labor and Employment

22 Section 11–606

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 Annotated Code of Maryland
 2 (2016 Replacement Volume and 2021 Supplement)

3 BY repealing and reenacting, without amendments,
 4 Article – State Finance and Procurement
 5 Section 6–226(a)(2)(i)
 6 Annotated Code of Maryland
 7 (2021 Replacement Volume)

8 BY repealing and reenacting, with amendments,
 9 Article – State Finance and Procurement
 10 Section 6–226(a)(2)(ii)144. And 145.
 11 Annotated Code of Maryland
 12 (2021 Replacement Volume)

13 BY adding to
 14 Article – State Finance and Procurement
 15 Section 6–226(a)(2)(ii)146.
 16 Annotated Code of Maryland
 17 (2021 Replacement Volume)

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

20 **Article – Economic Development**

21 **SUBTITLE 19. MARYLAND NEW START ~~PILOT~~ MICROLOAN PROGRAM.**

22 **5–1901.**

23 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
 24 INDICATED.

25 (B) “COVERED INDIVIDUAL” ~~MEANS AN INDIVIDUAL WHO:~~

26 ~~(1) HAS BEEN CONVICTED OF A CRIMINAL OFFENSE AND COMPLETED~~
 27 ~~A TERM OF IMPRISONMENT IN FEDERAL PRISON OR A STATE OR LOCAL~~
 28 ~~CORRECTIONAL FACILITY; AND~~

29 ~~(2) MEETS THE OFFENSE ELIGIBILITY REQUIREMENTS SET FORTH IN~~
 30 ~~ANY APPLICABLE POLICY NOTICE OR OTHER GUIDANCE ISSUED BY THE SMALL~~
 31 ~~BUSINESS ADMINISTRATION FOR THE FEDERAL MICROLOAN PROGRAM~~
 32 ~~ESTABLISHED UNDER 15 U.S.C. § 636(M) HAS THE MEANING STATED IN § 11–606 OF~~
 33 THE LABOR AND EMPLOYMENT ARTICLE.

1 (C) "FUND" MEANS THE MARYLAND NEW START ~~PILOT~~ MICROLOAN
2 PROGRAM FUND.

3 (D) "PROGRAM" MEANS THE MARYLAND NEW START ~~PILOT~~ MICROLOAN
4 PROGRAM.

5 5-1902.

6 (A) THERE IS A MARYLAND NEW START ~~PILOT~~ MICROLOAN PROGRAM.

7 (B) THE PURPOSE OF THE PROGRAM IS TO:

8 ~~(1) PROVIDE MULTYEAR GRANTS TO ORGANIZATIONS TO CREATE OR~~
9 ~~SUPPORT EXISTING ENTREPRENEURSHIP DEVELOPMENT PROGRAMS TO PROVIDE~~
10 ~~ASSISTANCE TO COVERED INDIVIDUALS; AND~~

11 ~~(2) PROVIDE LOANS TO COVERED INDIVIDUALS PARTICIPATING IN~~
12 ~~THE ELIGIBLE ENTREPRENEURSHIP DEVELOPMENT PROGRAMS.~~

13 (C) THE DEPARTMENT, IN CONSULTATION WITH THE GOVERNOR'S OFFICE
14 OF SMALL, MINORITY, AND WOMEN BUSINESS AFFAIRS, SHALL ADMINISTER THE
15 PROGRAM.

16 5-1903.

17 ~~(A) TO CARRY OUT THE PURPOSE OF THE PROGRAM, THE DEPARTMENT~~
18 ~~SHALL MAKE GRANTS IN ACCORDANCE WITH THIS SECTION TO AT LEAST FIVE~~
19 ~~ELIGIBLE ORGANIZATIONS.~~

20 ~~(B) (1) (I) AN ORGANIZATION MAY APPLY FOR A GRANT UNDER THE~~
21 ~~PROGRAM.~~

22 ~~(II) AN ORGANIZATION MAY PARTNER WITH ANOTHER~~
23 ~~ORGANIZATION FOR PURPOSES OF APPLYING FOR A GRANT UNDER THE PROGRAM~~
24 ~~AND CONDUCTING ENTREPRENEURIAL DEVELOPMENT PROGRAMMING.~~

25 ~~(2) AN APPLICATION FOR A GRANT UNDER THE PROGRAM SHALL:~~

26 ~~(I) DEMONSTRATE STRONG COMMUNITY TIES, INCLUDING~~
27 ~~THOSE WITH THE COVERED INDIVIDUAL COMMUNITY AND LOCAL BUSINESSES;~~

28 ~~(II) DEMONSTRATE AN ABILITY TO PROVIDE A FULL RANGE OF~~
29 ~~ENTREPRENEURIAL DEVELOPMENT PROGRAMMING ON AN ONGOING BASIS;~~

1 ~~(III) INCLUDE A PLAN FOR REACHING COVERED INDIVIDUALS,~~
2 ~~INCLUDING BY IDENTIFYING PARTICULAR TARGET POPULATIONS WITHIN THE~~
3 ~~COMMUNITY;~~

4 ~~(IV) CLEARLY DEFINE ENTREPRENEURIAL DEVELOPMENT~~
5 ~~CAPABILITIES, INCLUDING COORDINATION WITH EXISTING LOCAL RESOURCE~~
6 ~~PARTNERS OF THE DEPARTMENT FOR ADDITIONAL TRAINING AS NECESSARY;~~

7 ~~(V) PRESENT AN ENTREPRENEURSHIP DEVELOPMENT~~
8 ~~CURRICULUM, WHICH MAY BE A NATIONALLY RECOGNIZED MODEL OR BASED ON A~~
9 ~~NATIONALLY RECOGNIZED MODEL;~~

10 ~~(VI) INCLUDE A LIST OF EACH PARTNER ORGANIZATION; AND~~

11 ~~(VII) INCLUDE A COMPREHENSIVE PLAN FOR THE USE OF GRANT~~
12 ~~FUNDS, INCLUDING ESTIMATES FOR ADMINISTRATIVE AND OUTREACH COSTS OF~~
13 ~~RUNNING AND EVALUATING THE ENTREPRENEURSHIP DEVELOPMENT PROGRAM.~~

14 ~~(3) THE DEPARTMENT MAY PROVIDE SPECIFIC ADDITIONAL~~
15 ~~ELIGIBILITY AND APPLICATION REQUIREMENTS FOR A GRANT UNDER THE~~
16 ~~PROGRAM.~~

17 ~~(C) AN ENTREPRENEURSHIP DEVELOPMENT PROGRAM FOR COVERED~~
18 ~~INDIVIDUALS IMPLEMENTED UNDER THE PROGRAM SHALL INCLUDE:~~

19 ~~(1) A BUSINESS PLAN COMPETITION FOR IMPRISONED INDIVIDUALS;~~

20 ~~(2) REENTRY SERVICES, INCLUDING A WORK READINESS PROGRAM;~~

21 ~~(3) EXECUTIVE MENTORING WITH LOCAL BUSINESS OWNERS;~~

22 ~~(4) ENTREPRENEURIAL TRAINING; AND~~

23 ~~(5) IN ACCORDANCE WITH § 5-1904 OF THIS SUBTITLE, ACCESS TO~~
24 ~~FINANCING.~~

25 ~~(D) IN DETERMINING WHETHER TO AWARD A GRANT UNDER THE PROGRAM,~~
26 ~~THE DEPARTMENT MAY GIVE PRIORITY TO AN APPLICATION SUBMITTED IN~~
27 ~~ACCORDANCE WITH SUBSECTION (C) OF THIS SECTION BASED ON:~~

28 ~~(1) WHETHER THE APPLICATION INCLUDES A COMMITMENT FROM AN~~
29 ~~EXISTING OR NEW NON-STATE FUNDING SOURCE TO MEET THE MATCHING~~
30 ~~REQUIREMENT UNDER SUBSECTION C OF THIS SECTION;~~

1 ~~(2) WHETHER THE APPLICATION TAKES INTO ACCOUNT LOCAL~~
2 ~~ECONOMIES AND MARKETS AS A PART OF THE EDUCATIONAL COMPONENT OF THE~~
3 ~~ENTREPRENEURSHIP DEVELOPMENT PROGRAM; AND~~

4 ~~(3) THE ABILITY OR PLAN OF THE APPLICANT TO PROVIDE~~
5 ~~ENTREPRENEURIAL DEVELOPMENT SERVICES CONCURRENT WITH EMPLOYMENT~~
6 ~~OR JOB TRAINING SERVICES.~~

7 ~~(E) (1) AS A CONDITION OF A GRANT PROVIDED UNDER THE PROGRAM,~~
8 ~~THE DEPARTMENT SHALL REQUIRE THE RECIPIENT OF THE GRANT TO CONTRIBUTE~~
9 ~~AN AMOUNT EQUAL TO 25% OF THE AMOUNT OF THE GRANT, OBTAINED SOLELY~~
10 ~~FROM EXISTING OR NEW NON STATE SOURCES.~~

11 ~~(2) IN ADDITION TO CASH OR OTHER DIRECT FUNDING, THE~~
12 ~~CONTRIBUTION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY~~
13 ~~INCLUDE INDIRECT COSTS OR IN KIND CONTRIBUTIONS PAID FOR UNDER~~
14 ~~NON STATE PROGRAMS.~~

15 ~~(F) THE DEPARTMENT SHALL AWARD AN ELIGIBLE APPLICANT A GRANT~~
16 ~~FOR A PERIOD OF 5 YEARS.~~

17 ~~5-1904.~~

18 (A) TO CARRY OUT THE PURPOSE OF THE PROGRAM, THE DEPARTMENT
19 MAY ISSUE LOANS IN ACCORDANCE WITH THIS SECTION TO QUALIFIED COVERED
20 INDIVIDUALS.

21 (B) (1) ON A REFERRAL BY AN ORGANIZATION CONDUCTING AN
22 ENTREPRENEURIAL DEVELOPMENT PROGRAM UNDER THE ~~PROGRAM~~ NEW START
23 GRANT PROGRAM ESTABLISHED UNDER § 11-606 OF THE LABOR AND
24 EMPLOYMENT ARTICLE AND SUBJECT TO AVAILABILITY OF FUNDS IN THE FUND, A
25 COVERED INDIVIDUAL PARTICIPATING IN THAT ENTREPRENEURIAL DEVELOPMENT
26 PROGRAM MAY APPLY FOR A LOAN TO ESTABLISH A BUSINESS.

27 (2) THE REFERRAL SHALL INCLUDE A RECOMMENDATION BY THE
28 ORGANIZATION CONDUCTING THE ENTREPRENEURIAL DEVELOPMENT PROGRAM
29 FOR THE AMOUNT OF THE LOAN TO BE ISSUED BY THE DEPARTMENT.

30 (3) THE DEPARTMENT SHALL TAKE A REFERRAL AND
31 RECOMMENDATION PROVIDED BY AN ORGANIZATION CONDUCTING AN
32 ENTREPRENEURIAL DEVELOPMENT PROGRAM UNDER THIS SUBSECTION INTO
33 CONSIDERATION WHEN DETERMINING TO ISSUE A LOAN UNDER THIS SECTION BUT
34 IS NOT BOUND BY THE REFERRAL OR RECOMMENDATION.

1 (C) A LOAN ISSUED UNDER THIS SECTION MAY NOT EXCEED \$50,000.

2 (D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE
3 DEPARTMENT SHALL SPECIFY THE TERMS OF THE LOAN.

4 (2) THE LOAN MAY NOT REQUIRE THE PROVISION OF ANY
5 COLLATERAL.

6 ~~5-1905.~~ 5-1904.

7 (A) THERE IS A MARYLAND NEW START ~~PILOT~~ MICROLOAN PROGRAM
8 FUND.

9 (B) THE PURPOSE OF THE FUND IS TO PROVIDE:

10 ~~(1) GRANTS TO ORGANIZATIONS IN ACCORDANCE WITH § 5-1903 OF~~
11 ~~THIS SUBTITLE; AND~~

12 ~~(2) LOANS TO COVERED INDIVIDUALS IN ACCORDANCE WITH § 5-1904~~
13 § 5-1903 OF THIS SUBTITLE.

14 (C) THE SECRETARY SHALL ADMINISTER THE FUND.

15 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
16 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

17 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
18 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

19 (E) THE FUND CONSISTS OF:

20 (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

21 (2) REPAYMENTS OF LOANS MADE THROUGH THE PROGRAM;

22 (3) ANY INTEREST EARNINGS OF THE FUND; AND

23 (4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
24 THE BENEFIT OF THE FUND.

25 (F) (1) THE FUND MAY BE USED ONLY FOR:

26 (I) ADMINISTRATIVE COSTS OF THE PROGRAM; AND

1 (II) ~~THE FUNDING OF GRANTS AWARDED UNDER § 5-1903 OF~~
2 ~~THIS SUBTITLE; AND~~

3 ~~(III) THE ISSUANCE OF LOANS UNDER § 5-1904~~ § 5-1903 OF THIS
4 SUBTITLE.

5 (2) DURING EACH FISCAL YEAR, THE DEPARTMENT MAY ~~AWARD NOT~~
6 ~~NOT UTILIZE~~ MORE THAN ~~20%~~ 10% OF THE MONEY APPROPRIATED TO THE FUND ~~IN~~
7 ~~GRANTS UNDER § 5-1903~~ FOR ADMINISTRATIVE COSTS OF THIS SUBTITLE.

8 (G) IN EACH OF FISCAL YEARS 2024, 2025, 2026, 2027, AND 2028, THE
9 GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF
10 AT LEAST \$300,000 TO THE FUND.

11 (H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND
12 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

13 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO
14 THE FUND.

15 (I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE
16 WITH THE STATE BUDGET.

17 ~~5-1906.~~

18 ~~(A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, AN ORGANIZATION~~
19 ~~AWARDED A GRANT BY THE DEPARTMENT UNDER THE PROGRAM SHALL SUBMIT AN~~
20 ~~ANNUAL REPORT TO THE DEPARTMENT ON THE USE OF GRANT FUNDS RECEIVED~~
21 ~~UNDER THE PROGRAM.~~

22 ~~(B) THE REPORT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION~~
23 ~~SHALL CONTAIN, WITH RESPECT TO THE ENTREPRENEURSHIP DEVELOPMENT~~
24 ~~PROGRAM CREATED OR SUPPORTED BY THE ORGANIZATION UNDER THE PROGRAM;~~

25 ~~(1) A LIST OF OTHER ORGANIZATIONS, IF ANY, WITH WHICH THE~~
26 ~~PERSON HAS PARTNERED TO CONDUCT AN ENTREPRENEURIAL DEVELOPMENT~~
27 ~~PROGRAM;~~

28 ~~(2) THE CHARACTERISTICS OF COVERED INDIVIDUALS ASSISTED~~
29 ~~UNDER THE ENTREPRENEURSHIP DEVELOPMENT PROGRAM, INCLUDING THE RACE~~
30 ~~AND ETHNICITY, GENDER, AGE, MARITAL STATUS, PARENTAL STATUS, EMPLOYMENT~~
31 ~~STATUS, INCOME, BANKING AND CREDIT HISTORY, AND PRIOR BUSINESS~~
32 ~~EXPERIENCE OF THE INDIVIDUALS;~~

1 ~~(3) THE PARTICIPATION AND ATTENDANCE RATES FOR ALL~~
2 ~~COMPONENTS OF THE ENTREPRENEURSHIP DEVELOPMENT PROGRAM;~~

3 ~~(4) THE PROGRAM RETENTION RATE;~~

4 ~~(5) THE PERCENTAGE OF PARTICIPANTS WHO HAVE NOT BEEN~~
5 ~~CHARGED WITH A NEW CRIMINAL VIOLATION OR A VIOLATION OF A CONDITION OF~~
6 ~~PAROLE OR PROBATION DURING THE CALENDAR YEAR OF THE PROGRAM;~~

7 ~~(6) THE LEVEL OF THE COVERED INDIVIDUALS' UNDERSTANDING OF~~
8 ~~BUSINESS CONCEPTS AND PRINCIPLES;~~

9 ~~(7) THE LEVEL OF THE COVERED INDIVIDUALS' GREATER~~
10 ~~CONFIDENCE IN LEADERSHIP STRENGTHS, INCLUDING THE RESULTS OF AN~~
11 ~~INDUSTRY RECOGNIZED BEHAVIORAL ASSESSMENT;~~

12 ~~(8) THE PROGRESS MADE BY COVERED INDIVIDUALS TOWARD~~
13 ~~ESTABLISHING A BUSINESS;~~

14 ~~(9) THE EXPERIENCES AND PERCEPTIONS OF THE COVERED~~
15 ~~INDIVIDUALS;~~

16 ~~(10) THE NUMBER AND DOLLAR AMOUNT OF LOANS MADE TO~~
17 ~~QUALIFIED COVERED INDIVIDUALS; AND~~

18 ~~(11) ANY ADDITIONAL INFORMATION THAT THE DEPARTMENT MAY~~
19 ~~REQUIRE.~~

20 ~~(c) ON OR BEFORE JANUARY 1, 2029, THE DEPARTMENT SHALL REPORT TO~~
21 ~~THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT~~
22 ~~ARTICLE, THE GENERAL ASSEMBLY ON:~~

23 ~~(1) THE FUNDS INCLUDED IN THE STATE BUDGET AND~~
24 ~~APPROPRIATED FOR THE FUND FOR EACH FISCAL YEAR DURING THE LIFE OF THE~~
25 ~~PROGRAM;~~

26 ~~(2) THE SERVICES THAT GRANT RECIPIENTS PROVIDED TO COVERED~~
27 ~~INDIVIDUALS ASSISTED UNDER ENTREPRENEURSHIP DEVELOPMENT PROGRAMS;~~

28 ~~(3) OVERSIGHT OF THE PROGRAM BY THE DEPARTMENT, INCLUDING~~
29 ~~POLICIES AND PROCEDURES FOR MONITORING THE COMPLIANCE BY GRANT~~
30 ~~RECIPIENTS WITH PROGRAM REQUIREMENTS AND AN ASSESSMENT OF THE~~
31 ~~EFFECTIVENESS OF THE PROGRAM; AND~~

~~(4) THE OVERALL PERFORMANCE OF THE PROGRAM AND THE IMPACTS OF THE PROGRAM ON GRANT RECIPIENTS.~~

~~5-1907.~~

5-1905.

ON OR BEFORE JANUARY 1, 2029, THE DEPARTMENT SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON:

(1) THE FUNDS INCLUDED IN THE STATE BUDGET AND APPROPRIATED FOR THE FUND FOR EACH FISCAL YEAR DURING THE LIFE OF THE PROGRAM;

(2) THE IMPLEMENTATION OF THE PROGRAM BY THE DEPARTMENT, INCLUDING AN ASSESSMENT OF THE EFFECTIVENESS OF THE PROGRAM; AND

(3) THE OVERALL PERFORMANCE OF THE PROGRAM AND IMPACTS OF THE PROGRAM ON LOAN RECIPIENTS.

5-1906.

THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THIS SUBTITLE.

Article - Labor and Employment

11-606.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "COVERED INDIVIDUAL" MEANS AN INDIVIDUAL WHO:

(I) HAS BEEN CONVICTED OF A CRIMINAL OFFENSE;

(II) 1. HAS COMPLETED A TERM OF IMPRISONMENT IN FEDERAL PRISON OR A STATE OR LOCAL CORRECTIONAL FACILITY; OR

2. IS APPROVED FOR RELEASE BY A CORRECTIONAL FACILITY FOR THE PURPOSE OF PARTICIPATING IN A TRAINING PROGRAM; AND

(III) MEETS THE OFFENSE ELIGIBILITY REQUIREMENTS SET FORTH IN ANY APPLICABLE POLICY NOTICE OR OTHER GUIDANCE ISSUED BY THE

1 SMALL BUSINESS ADMINISTRATION FOR THE FEDERAL MICROLOAN PROGRAM
2 ESTABLISHED UNDER 15 U.S.C. § 636(M).

3 (3) "PROGRAM" MEANS THE MARYLAND NEW START GRANT
4 PROGRAM.

5 (B) (1) THERE IS A MARYLAND NEW START GRANT PROGRAM IN THE
6 DEPARTMENT.

7 (2) THE DEPARTMENT SHALL ADMINISTER THE PROGRAM.

8 (C) THE PURPOSE OF THE PROGRAM IS TO PROVIDE GRANTS TO
9 ORGANIZATIONS TO CREATE OR SUPPORT EXISTING ENTREPRENEURSHIP
10 DEVELOPMENT PROGRAMS TO PROVIDE ASSISTANCE TO COVERED INDIVIDUALS.

11 (D) (1) AS PROVIDED IN THE BUDGET, THE DEPARTMENT SHALL MAKE
12 GRANTS IN ACCORDANCE WITH THIS SUBSECTION TO AT LEAST FIVE ELIGIBLE
13 ORGANIZATIONS.

14 (2) (I) AN ORGANIZATION MAY APPLY FOR A GRANT UNDER THE
15 PROGRAM.

16 (II) AN ORGANIZATION MAY PARTNER WITH ANOTHER
17 ORGANIZATION FOR PURPOSES OF APPLYING FOR A GRANT UNDER THE PROGRAM
18 AND CONDUCTING ENTREPRENEURIAL DEVELOPMENT PROGRAMMING.

19 (III) AN APPLICATION FOR A GRANT UNDER THE PROGRAM
20 SHALL:

21 1. DEMONSTRATE STRONG COMMUNITY TIES,
22 INCLUDING THOSE WITH THE COVERED INDIVIDUAL COMMUNITY AND LOCAL
23 BUSINESSES;

24 2. DEMONSTRATE AN ABILITY TO PROVIDE A FULL
25 RANGE OF ENTREPRENEURIAL DEVELOPMENT PROGRAMMING ON AN ONGOING
26 BASIS;

27 3. INCLUDE A PLAN FOR REACHING COVERED
28 INDIVIDUALS, INCLUDING BY IDENTIFYING PARTICULAR TARGET POPULATIONS
29 WITHIN THE COMMUNITY;

30 4. CLEARLY DEFINE ENTREPRENEURIAL DEVELOPMENT
31 CAPABILITIES, INCLUDING COORDINATION WITH EXISTING LOCAL RESOURCE
32 PARTNERS OF THE DEPARTMENT FOR ADDITIONAL TRAINING AS NECESSARY;

1 **5. PRESENT AN ENTREPRENEURSHIP DEVELOPMENT**
2 **CURRICULUM, WHICH MAY BE A NATIONALLY RECOGNIZED MODEL OR BASED ON A**
3 **NATIONALLY RECOGNIZED MODEL;**

4 **6. INCLUDE A LIST OF EACH PARTNER ORGANIZATION;**
5 **AND**

6 **7. INCLUDE A COMPREHENSIVE PLAN FOR THE USE OF**
7 **GRANT FUNDS, INCLUDING ESTIMATES FOR ADMINISTRATIVE AND OUTREACH**
8 **COSTS OF RUNNING AND EVALUATING THE ENTREPRENEURSHIP DEVELOPMENT**
9 **PROGRAM.**

10 **(IV) THE DEPARTMENT MAY PROVIDE SPECIFIC ADDITIONAL**
11 **ELIGIBILITY AND APPLICATION REQUIREMENTS FOR A GRANT UNDER THE**
12 **PROGRAM.**

13 **(3) AN ENTREPRENEURSHIP DEVELOPMENT PROGRAM FOR**
14 **COVERED INDIVIDUALS IMPLEMENTED UNDER THE PROGRAM SHALL INCLUDE:**

15 **(I) A BUSINESS PLAN COMPETITION FOR IMPRISONED**
16 **INDIVIDUALS;**

17 **(II) REENTRY SERVICES, INCLUDING A WORK-READINESS**
18 **PROGRAM;**

19 **(III) EXECUTIVE MENTORING WITH LOCAL BUSINESS OWNERS;**

20 **(IV) ENTREPRENEURIAL TRAINING; AND**

21 **(V) IN ACCORDANCE WITH TITLE 5, SUBTITLE 19 OF THE**
22 **ECONOMIC DEVELOPMENT ARTICLE, ACCESS TO FINANCING.**

23 **(4) IN DETERMINING WHETHER TO AWARD A GRANT UNDER THE**
24 **PROGRAM, THE DEPARTMENT MAY GIVE PRIORITY TO AN APPLICATION SUBMITTED**
25 **IN ACCORDANCE WITH SUBSECTION (C) OF THIS SECTION BASED ON:**

26 **(I) WHETHER THE APPLICATION INCLUDES A COMMITMENT**
27 **FROM AN EXISTING OR NEW NON-STATE FUNDING SOURCE TO MEET THE MATCHING**
28 **REQUIREMENT UNDER SUBSECTION (E) OF THIS SECTION;**

29 **(II) WHETHER THE APPLICATION TAKES INTO ACCOUNT LOCAL**
30 **ECONOMIES AND MARKETS AS A PART OF THE EDUCATIONAL COMPONENT OF THE**
31 **ENTREPRENEURSHIP DEVELOPMENT PROGRAM; AND**

1 **(III) THE ABILITY OR PLAN OF THE APPLICANT TO PROVIDE**
2 **ENTREPRENEURIAL DEVELOPMENT SERVICES CONCURRENT WITH EMPLOYMENT**
3 **OR JOB TRAINING SERVICES.**

4 **(E) (1) AS A CONDITION OF A GRANT PROVIDED UNDER THE PROGRAM,**
5 **THE DEPARTMENT SHALL REQUIRE THE RECIPIENT OF THE GRANT TO CONTRIBUTE**
6 **AN AMOUNT EQUAL TO 25% OF THE AMOUNT OF THE GRANT, OBTAINED SOLELY**
7 **FROM EXISTING OR NEW NON-STATE SOURCES.**

8 **(2) IN ADDITION TO CASH OR OTHER DIRECT FUNDING, THE**
9 **CONTRIBUTION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY**
10 **INCLUDE INDIRECT COSTS OR IN-KIND CONTRIBUTIONS PAID FOR UNDER**
11 **NON-STATE PROGRAMS.**

12 **(F) (1) IN EACH OF FISCAL YEARS 2024, 2025, 2026, 2027, AND 2028, THE**
13 **GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF**
14 **AT LEAST \$200,000 FOR THE PROGRAM.**

15 **(2) THE DEPARTMENT MAY NOT UTILIZE MORE THAN 10% OF THE**
16 **MONEY APPROPRIATED FOR THE PROGRAM FOR ADMINISTRATIVE COSTS.**

17 **(G) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AN**
18 **ORGANIZATION AWARDED A GRANT BY THE DEPARTMENT UNDER THE PROGRAM**
19 **SHALL SUBMIT AN ANNUAL REPORT TO THE DEPARTMENT ON THE USE OF GRANT**
20 **FUNDS RECEIVED UNDER THE PROGRAM.**

21 **(2) THE REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS**
22 **SUBSECTION SHALL CONTAIN, WITH RESPECT TO THE ENTREPRENEURSHIP**
23 **DEVELOPMENT PROGRAM CREATED OR SUPPORTED BY THE ORGANIZATION UNDER**
24 **THE PROGRAM:**

25 **(I) A LIST OF OTHER ORGANIZATIONS, IF ANY, WITH WHICH THE**
26 **PERSON HAS PARTNERED TO CONDUCT AN ENTREPRENEURIAL DEVELOPMENT**
27 **PROGRAM;**

28 **(II) THE CHARACTERISTICS OF COVERED INDIVIDUALS**
29 **ASSISTED UNDER THE ENTREPRENEURSHIP DEVELOPMENT PROGRAM, INCLUDING**
30 **THE RACE AND ETHNICITY, GENDER, AGE, MARITAL STATUS, PARENTAL STATUS,**
31 **EMPLOYMENT STATUS, INCOME, BANKING AND CREDIT HISTORY, AND PRIOR**
32 **BUSINESS EXPERIENCE OF THE INDIVIDUALS;**

33 **(III) THE PARTICIPATION AND ATTENDANCE RATES FOR ALL**
34 **COMPONENTS OF THE ENTREPRENEURSHIP DEVELOPMENT PROGRAM;**

1 **(IV) THE PROGRAM RETENTION RATE;**

2 **(V) THE PERCENTAGE OF PARTICIPANTS WHO HAVE NOT BEEN**
3 **CHARGED WITH A NEW CRIMINAL VIOLATION OR A VIOLATION OF A CONDITION OF**
4 **PAROLE OR PROBATION DURING THE CALENDAR YEAR OF THE PROGRAM;**

5 **(VI) THE LEVEL OF THE COVERED INDIVIDUALS'**
6 **UNDERSTANDING OF BUSINESS CONCEPTS AND PRINCIPLES;**

7 **(VII) THE LEVEL OF THE COVERED INDIVIDUALS' GREATER**
8 **CONFIDENCE IN LEADERSHIP STRENGTHS, INCLUDING THE RESULTS OF AN**
9 **INDUSTRY-RECOGNIZED BEHAVIORAL ASSESSMENT;**

10 **(VIII) THE PROGRESS MADE BY COVERED INDIVIDUALS TOWARD**
11 **ESTABLISHING A BUSINESS;**

12 **(IX) THE EXPERIENCES AND PERCEPTIONS OF THE COVERED**
13 **INDIVIDUALS;**

14 **(X) THE NUMBER AND DOLLAR AMOUNT OF LOANS MADE TO**
15 **QUALIFIED COVERED INDIVIDUALS; AND**

16 **(XI) ANY ADDITIONAL INFORMATION THAT THE DEPARTMENT**
17 **MAY REQUIRE.**

18 **(H) ON OR BEFORE JANUARY 1, 2029, THE DEPARTMENT SHALL REPORT TO**
19 **THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT**
20 **ARTICLE, THE GENERAL ASSEMBLY ON:**

21 **(1) THE FUNDS INCLUDED IN THE STATE BUDGET AND**
22 **APPROPRIATED FOR THE FUND FOR EACH FISCAL YEAR DURING THE LIFE OF THE**
23 **PROGRAM;**

24 **(2) THE SERVICES THAT GRANT RECIPIENTS PROVIDED TO COVERED**
25 **INDIVIDUALS ASSISTED UNDER ENTREPRENEURSHIP DEVELOPMENT PROGRAMS;**

26 **(3) OVERSIGHT OF THE PROGRAM BY THE DEPARTMENT, INCLUDING**
27 **POLICIES AND PROCEDURES FOR MONITORING THE COMPLIANCE BY GRANT**
28 **RECIPIENTS WITH PROGRAM REQUIREMENTS AND AN ASSESSMENT OF THE**
29 **EFFECTIVENESS OF THE PROGRAM; AND**

30 **(4) THE OVERALL PERFORMANCE OF THE PROGRAM AND THE**
31 **IMPACTS OF THE PROGRAM ON GRANT RECIPIENTS.**

1 **(I) THE DEPARTMENT SHALL ADOPT REGULATIONS NECESSARY TO CARRY**
 2 **OUT THIS SECTION.**

3 **Article – State Finance and Procurement**

4 6–226.

5 (a) (2) (i) Notwithstanding any other provision of law, and unless
 6 inconsistent with a federal law, grant agreement, or other federal requirement or with the
 7 terms of a gift or settlement agreement, net interest on all State money allocated by the
 8 State Treasurer under this section to special funds or accounts, and otherwise entitled to
 9 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
 10 Fund of the State.

11 (ii) The provisions of subparagraph (i) of this paragraph do not apply
 12 to the following funds:

13 144. the Health Equity Resource Community Reserve Fund;

14 [and]

15 145. the Access to Counsel in Evictions Special Fund; AND

16 **146. THE MARYLAND NEW START ~~PILOT~~ MICROLOAN**
 17 **PROGRAM FUND.**

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
 19 1, 2022. It shall remain effective for a period of 7 years and, at the end of June 30, 2029,
 20 this Act, with no further action required by the General Assembly, shall be abrogated and
 21 of no further force and effect.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.