

SENATE BILL 191

C8, Q3

(2lr0046)

ENROLLED BILL

— Finance/Ways and Means —

Introduced by **Chair, Finance Committee (By Request – Departmental – Commerce)**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Maryland Department of Commerce – ~~Transparency and Efficiency in~~**
3 **Reporting Act Requirements and Purple Line Construction Zone Grant Program**
4 **– Alterations**

5 FOR the purpose of altering the definition of “economic development program” for purposes
6 of certain data collection, tracking, and reporting requirements of the Maryland Jobs
7 Development Act to include certain tax credit programs; altering certain information
8 that the Department of Commerce is required to report; altering certain information
9 that the Department is required to make available on the Department’s website
10 relating to certain economic development programs; altering certain reporting
11 requirements relating to certain economic development programs and income tax
12 credits administered by the Department; altering the purpose of the Purple Line
13 Construction Zone Grant Program; requiring the Department of Commerce to
14 distribute certain funds under the Grant Program in a certain manner; requiring a
15 county that receives funds under the Program to implement a process for awarding

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.

Italics indicate opposite chamber/conference committee amendments.



1 grants to certain small businesses; and generally relating to the Maryland Jobs
 2 Development Act and economic development programs administered by the
 3 Department.

4 BY repealing and reenacting, with amendments,
 5 Article – Economic Development
 6 Section 2.5–109, 3–404(e), 5–419, 5–709, 5–1307, 5–1409, 5–1501(e), 6–307(a), ~~and~~
 7 ~~6–809~~ 6–809, and 16–102
 8 Annotated Code of Maryland
 9 (2018 Replacement Volume and 2021 Supplement)

10 BY repealing and reenacting, without amendments,
 11 Article – Economic Development
 12 Section 3–402, 5–406(a), 5–1501(a), 5–1602(a), ~~and 6–802~~ 6–802, and 16–101
 13 Annotated Code of Maryland
 14 (2018 Replacement Volume and 2021 Supplement)

15 BY repealing
 16 Article – Economic Development
 17 Section 5–1501(j) and 5–1606
 18 Annotated Code of Maryland
 19 (2018 Replacement Volume and 2021 Supplement)

20 BY adding to
 21 Article – Economic Development
 22 Section 5–1501(j) and 5–1606
 23 Annotated Code of Maryland
 24 (2018 Replacement Volume and 2021 Supplement)

25 BY repealing and reenacting, without amendments,
 26 Article – Tax – General
 27 Section 10–721(b)(1), 10–733(b)(1), and 10–733.1(b)(1)
 28 Annotated Code of Maryland
 29 (2016 Replacement Volume and 2021 Supplement)

30 BY repealing and reenacting, with amendments,
 31 Article – Tax – General
 32 Section 10–721(g), 10–725(h), 10–730(e), 10–733(h), and 10–733.1(f)
 33 Annotated Code of Maryland
 34 (2016 Replacement Volume and 2021 Supplement)

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

37 **Article – Economic Development**

38 2.5–109.

1 (a) In this section, “economic development program” means:

2 (1) the Economic Development Opportunities Program Account
3 established under § 7–314 of the State Finance and Procurement Article;

4 (2) the Partnership for Workforce Quality Program established under Title
5 3, Subtitle 4 of this article;

6 (3) each of the economic development and financial assistance programs
7 established under Title 5 of this article; and

8 (4) each of the tax credit programs administered by the Department,
9 including:

10 (i) the Film Production Activity Tax Credit;

11 (ii) the Job Creation Tax Credit;

12 (iii) the One Maryland Economic Development Tax Credit;

13 (iv) the Biotechnology Investment Incentive Tax Credit;

14 (v) the Research and Development Tax Credit;

15 (vi) the Security Clearance Administrative Expenses and
16 Construction and Equipment Costs Tax Credit;

17 (vii) the Innovation Investment Incentive Tax Credit;

18 (viii) the More Jobs for Marylanders Tax Credit;

19 (ix) the Purchase of Cybersecurity Technology or Service Tax Credit;

20 (x) the Opportunity Zone Enhancement Tax Credit; [and]

21 (xi) the Small Business Relief Tax Credit; AND

22 **(XII) ANY OTHER TAX CREDIT PROGRAM THAT IS ADMINISTERED**
23 **BY THE DEPARTMENT UNDER:**

24 **1. TITLE 6 OF THIS ARTICLE; OR**

25 **2. TITLE 10, SUBTITLE 7 OF THE TAX – GENERAL**
26 **ARTICLE.**

1 (b) The Department shall compile data in accordance with this section on the
2 economic development programs administered by the Department.

3 (c) On or before December 31, 2013, and each year thereafter, the Department
4 shall submit a report on the economic development programs that were administered by
5 the Department during the previous fiscal year to the Governor and, in accordance with §
6 2–1257 of the State Government Article, the General Assembly.

7 (d) (1) The report required under this section shall include the following data,
8 if applicable, on the economic development programs administered by the Department:

9 (i) the number of jobs created;

10 (ii) the number of jobs retained;

11 (iii) the estimated amount of State revenue generated;

12 (iv) the status of any special fund;

13 (v) for minority business enterprises, as defined in § 14–301 of the
14 State Finance and Procurement Article:

15 1. the number of enterprises that received assistance from
16 each economic development program; and

17 2. the percentage of assistance distributed to each minority
18 business enterprise from each economic development program compared to the total
19 assistance distributed from each economic development program; [and]

20 **(VI) A STATEMENT INDICATING WHETHER, DURING THE**
21 **CURRENT REPORTING YEAR, THE DEPARTMENT REDUCED, REVOKED, OR**
22 **RECAPTURED A TAX CREDIT OR ANY AMOUNT OF FINANCIAL ASSISTANCE FROM A**
23 **RECIPIENT AND, IF APPLICABLE:**

24 **1. THE TOTAL AMOUNT RECOVERED AS A RESULT OF THE**
25 **REDUCTION, REVOCATION, OR RECAPTURE, AND ANY PENALTY ASSESSED; AND**

26 **2. A JUSTIFICATION FOR THE REDUCTION, REVOCATION,**
27 **OR RECAPTURE; AND**

28 **[(vi)] (VII)** any additional information required by the Department
29 through regulations.

30 (2) The report required under this section shall include data in the
31 aggregate and disaggregated by:

- 1 (i) each economic development program; and
- 2 (ii) each recipient of assistance from an economic development
- 3 program.

4 (3) The report required under this section shall include any additional

5 information required under the law authorizing the economic development program.

6 (e) [On or before December 31, 2020, in addition to the report required under

7 subsection (c) of this section, the] **THE** Department shall establish, maintain, and update

8 annually a publicly available database on the Department's website that:

9 (1) provides information that is downloadable by the public in a common

10 machine-readable format; and

11 (2) includes, AS APPLICABLE:

12 (i) the name of each business entity that is a recipient of an

13 economic development program;

14 (ii) the total amount of tax credits certified, financial assistance

15 paid, and loans forgiven or uncollectible by the Department, ~~reported in the aggregate for~~

16 ~~each economic development program and~~ **FOR** each recipient of the tax credit or financial

17 assistance;

18 ~~(iii) 1. for any tax credit or financial assistance that is certified~~

19 ~~or paid by the Department to incentivize job creation or retention;~~

20 ~~A. the number of jobs each recipient of the credit or~~

21 ~~assistance claimed it would create or retain in its application for the credit or assistance;~~

22 ~~B. (III) the number of jobs actually created or retained by~~

23 ~~each recipient; and~~

24 ~~C. (IV) the average salary of the jobs created or retained by~~

25 ~~each recipient; and~~

26 ~~2. for any tax credit or amount of financial assistance that is~~

27 ~~certified or awarded by the Department to incentivize activities other than job creation or~~

28 ~~retention, a description of how the credit or assistance benefits the State; and~~

29 **(V) THE AMOUNT OF CAPITAL INVESTMENT MADE OR PROJECT**

30 **COSTS INCURRED BY EACH RECIPIENT; AND**

1 ~~(iv)~~ **(VI)** a statement indicating whether, during the current
 2 reporting year, the Department reduced, revoked, or recaptured a tax credit or any amount
 3 of financial assistance from a recipient and, if applicable:

4 1. the total amount recovered as a result of the reduction,
 5 revocation, or recapture, and any penalty assessed; and

6 2. a justification for the reduction, revocation, or recapture.
 7 ~~DATA REPORTED IN CONNECTION WITH THE ECONOMIC DEVELOPMENT PROGRAMS~~
 8 ~~ADMINISTERED BY THE DEPARTMENT AS REQUIRED UNDER THE PROVISIONS OF~~
 9 ~~THIS SECTION.~~

10 (f) If a recipient of assistance from an economic development program is not
 11 meeting the requirements of the economic development program, the Department shall
 12 implement a process to assist the recipient in meeting the program requirements.

13 3-402.

14 There is a Partnership for Workforce Quality Program in the Department.

15 3-404.

16 (e) **[(1)]** In accordance with § 2.5-109 of this article, the Secretary shall submit
 17 a report on the operation and performance of the Program.

18 **[(2)]** In addition to the requirements under § 2.5-109(c) of this article, the
 19 report required under this subsection shall be submitted to:

20 (i) the Governor's Workforce Development Board; and

21 (ii) the Maryland Economic Development Commission.]

22 5-406.

23 (a) There is a Maryland Industrial Development Financing Authority in the
 24 Department.

25 5-419.

26 **[(a)]** In accordance with § 2.5-109 of this article, the Authority shall submit a
 27 report on its condition and operations.

28 **[(b)]** In addition to the requirements under § 2.5-109(c) of this article, the report
 29 required under this section shall be submitted to the chair of the Joint Audit and
 30 Evaluation Committee.]

1 5-709.

2 [(a) The Department and the Comptroller jointly shall assess each year the
3 effectiveness of the tax credits provided to business entities in enterprise zones and focus
4 areas in enterprise zones, including:

5 (1) the number and amounts of credits granted each year; and

6 (2) the success of the tax credits in attracting and retaining business
7 entities in enterprise zones and focus areas.

8 (b) On or before December 15 of each year, the Department and the Comptroller
9 shall submit to the Governor and, in accordance with § 2-1257 of the State Government
10 Article, the General Assembly a report outlining the findings of the Department and the
11 Comptroller and any other information of value in determining] **IN ACCORDANCE WITH §**
12 **2.5-109 OF THIS ARTICLE, THE DEPARTMENT SHALL SUBMIT A REPORT ON** the
13 effectiveness of the tax credits provided under § 5-707(b) of this subtitle.

14 5-1307.

15 (a) On or before October 15 of each year, a political subdivision with a BRAC
16 Revitalization and Incentive Zone designation shall submit a report to the Department that
17 assesses the effectiveness of the benefits provided to the BRAC Revitalization and Incentive
18 Zone in attracting and retaining businesses within the BRAC Revitalization and Incentive
19 Zone.

20 (b) [On or before December 15 of each year] **IN ACCORDANCE WITH § 2.5-109**
21 **OF THIS ARTICLE,** the Department shall[:

22 (1) assess the effectiveness of the benefits provided to the BRAC
23 Revitalization and Incentive Zones in attracting and retaining businesses within BRAC
24 Revitalization and Incentive Zones; and

25 (2) submit to the Governor and, in accordance with § 2-1257 of the State
26 Government Article, the General Assembly a report outlining the findings of the
27 Department and any other information of value in determining] **SUBMIT A REPORT ON**
28 the effectiveness of the benefits under this subtitle.

29 5-1409.

30 [(a) The Department and the Comptroller jointly shall assess each year the
31 effectiveness of the tax incentives provided to business entities in RISE zones, including:

32 (1) the number and amounts of tax incentives granted each year; and

1 (2) the success of the tax incentives in attracting and retaining business
2 entities in RISE zones.

3 (b) On or before December 15 of each year, the Department and the Comptroller
4 shall submit to the Governor and, in accordance with § 2–1257 of the State Government
5 Article, the Senate Budget and Taxation Committee and the House Committee on Ways
6 and Means a report outlining the findings of the Department and the Comptroller and any
7 other information of value in determining] **IN ACCORDANCE WITH § 2.5–109 OF THIS**
8 **ARTICLE, THE DEPARTMENT SHALL SUBMIT A REPORT ON** the effectiveness of the tax
9 incentives authorized under this subtitle.

10 [(c) On or before December 15 each year, the Department shall submit to the
11 Governor and, in accordance with § 2–1257 of the State Government Article, the Senate
12 Budget and Taxation Committee and the House Committee on Ways and Means a report
13 detailing with respect to each RISE zone in which a rental assistance program has been
14 established:

- 15 (1) the entity administering the rental assistance program;
- 16 (2) the amount of funds received during the previous fiscal year;
- 17 (3) the cumulative amount of funds received; and
- 18 (4) the amount of funds remaining unspent at the end of the previous fiscal
19 year.]

20 5–1501.

21 (a) There is a Small, Minority, and Women–Owned Businesses Account under the
22 authority of the Department.

23 (e) Fund managers receiving grants under this section shall:

- 24 (1) keep proper records of funds and accounts;
- 25 (2) provide an annual report to the [Governor and, in accordance with §
26 2–1257 of the State Government Article, the General Assembly] **DEPARTMENT** on
27 investment capital and loans made pursuant to subsection (c) of this section; and
- 28 (3) be subject to audit by the Office of Legislative Audits of the Department
29 of Legislative Services.

30 [(j) (1) On or before October 1 each year, the Department shall submit a report
31 on the status of money received from the Strategic Energy Investment Fund under
32 subsection (d) of this section to the Senate Finance Committee and the House Economic
33 Matters Committee, in accordance with § 2–1257 of the State Government Article.

1 (2) With respect to the preceding fiscal year and each relevant prior fiscal
2 year, the report shall include:

3 (i) the amounts received from the Fund;

4 (ii) the amounts placed as grants with eligible fund managers; and

5 (iii) with respect to each eligible fund manager:

6 1. the identity of the manager;

7 2. the money provided to the manager;

8 3. the investments made by the manager;

9 4. the amounts retained by the manager as expenses and
10 management fees;

11 5. the small, minority, women-owned, and veteran-owned
12 businesses receiving the investments; and

13 6. the status of the investments listed under item 5 of this
14 item, along with any return made on each investment.]

15 **(J) IN ACCORDANCE WITH § 2.5-109 OF THIS ARTICLE, THE DEPARTMENT**
16 **SHALL SUBMIT A REPORT ON AMOUNTS RECEIVED BY AND EXPENDED BY THE**
17 **STRATEGIC ENERGY INVESTMENT FUND.**

18 5-1602.

19 (a) There is a Make Office Vacancies Extinct Program in the Department.

20 [5-1606.

21 (a) At least once every 3 years, the Secretary shall review and evaluate the
22 Program, including the number of participating counties with comparable support
23 programs and the number and size of eligible businesses that receive support from the
24 Program.

25 (b) Based on the review and evaluation, the Secretary may submit
26 recommendations to the Governor and, subject to § 2-1257 of the State Government Article,
27 the General Assembly on the continued effectiveness of the Program and the level of
28 matching funding that should be provided to participating counties under the Program.]

29 5-1606.

1 **IN ACCORDANCE WITH § 2.5–109 OF THIS ARTICLE, THE DEPARTMENT SHALL**
 2 **SUBMIT A REPORT ON THE EFFECTIVENESS OF THE PROGRAM.**

3 6–307.

4 (a) In accordance with § 2.5–109 of this article, the Department shall submit a
 5 report on[:

6 (1) each business entity certified as eligible for job creation tax credits in
 7 the preceding taxable year;

8 (2) whether the credits for which the business entity was certified resulted
 9 from the entity’s establishment, expansion, or relocation;

10 (3) whether the business entity had a presence in the State before claiming
 11 the credit;

12 (4) the total number of employees of the business entity; and

13 (5) the total number of years that the business entity has been in business]

14 **THE JOB CREATION TAX CREDITS AUTHORIZED UNDER THIS SUBTITLE.**

15 6–802.

16 There is a More Jobs for Marylanders Program in the Department.

17 6–809.

18 [On or before December 1 each year, the Department shall report to the General
 19 Assembly, in accordance with § 2–1257 of the State Government Article,] **IN ACCORDANCE**
 20 **WITH § 2.5–109 OF THIS ARTICLE, THE DEPARTMENT SHALL SUBMIT A REPORT** on
 21 the qualified business entities receiving final certification in the preceding fiscal year.

22 16–101.

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

24 (b) “Grant Program” means the Purple Line Construction Zone Grant Program.

25 (c) “Qualified small business” means a sole proprietorship, a partnership, a
 26 limited partnership, a limited liability partnership, a limited liability company, or a
 27 corporation that:

28 (1) employs 20 or fewer employees;

- 1 (2) is independently owned and operated;
2 (3) is not a subsidiary of another business;
3 (4) is not dominant in its field of operation; and
4 (5) is impacted by the construction of the Purple Line light rail project in
5 Montgomery County and Prince George's County.

6 16-102.

7 (a) (1) There is a Purple Line Construction Zone Grant Program.

8 (2) The purpose of the Grant Program is to provide funds to **MONTGOMERY**
9 **COUNTY AND PRINCE GEORGE'S COUNTY TO PROVIDE ASSISTANCE TO** qualified
10 small businesses to assist in offsetting business revenue lost as a result of the construction
11 of the Purple Line light rail project in [Montgomery County and Prince George's County]
12 **THOSE COUNTIES.**

13 (3) In each of fiscal years 2023 and 2024, the Department of Commerce shall
14 provide \$1,000,000 in general funds to the Grant Program to assist qualified small
15 businesses.

16 (b) (1) The Department of Commerce shall implement [and administer] the
17 Grant Program.

18 (2) **THE DEPARTMENT SHALL DISTRIBUTE FUNDS PROVIDED FOR THE**
19 **GRANT PROGRAM BASED ON THE NUMBER OF QUALIFIED SMALL BUSINESSES**
20 **LOCATED IN MONTGOMERY COUNTY AND PRINCE GEORGE'S COUNTY.**

21 [(c) (1) Subject to paragraph (2) of this subsection, the Department of
22 Commerce, in consultation with the Department of Transportation, shall adopt regulations
23 to implement this section, including regulations to establish:

24 (i) eligibility and grant application requirements; and

25 (ii) a process for reviewing grant applications and awarding grants
26 to eligible qualified small businesses.

27 (2) In developing the regulations required under paragraph (1) of this
28 subsection, the Department of Commerce and the Maryland Transit Administration shall
29 consult qualified small businesses to ensure that the eligibility and application requirements
30 for the Grant Program are not overly burdensome to qualified small businesses.

1 (3) The Department of Commerce shall make the application developed for
 2 purposes of the Grant Program available to qualified small businesses as soon as
 3 practicable.]

4 (C) A COUNTY THAT RECEIVES FUNDS UNDER THIS SECTION SHALL
 5 IMPLEMENT A PROCESS FOR AWARDING GRANTS TO ELIGIBLE QUALIFIED SMALL
 6 BUSINESSES.

7 [(d) (1) (i) Subject to the limitations of this paragraph, the Department of
 8 Commerce shall establish, by regulation, guidelines to calculate the amount of a grant
 9 awarded under this section.

10 (ii) In establishing guidelines under subparagraph (i) of this
 11 paragraph, the Department of Commerce may use a 12-month projection of the difference
 12 between the business revenue of a qualified small business during the 3-month period
 13 immediately preceding the start of the Purple Line construction compared to the 3-month
 14 period immediately following the start of the Purple Line construction.

15 (iii) A grant awarded under the Grant Program may not exceed
 16 \$50,000.

17 (2) Subject to the eligibility requirements established under subsection (d)
 18 of this section, if a qualified small business is required to be registered with the State and is
 19 registered, the qualified small business may apply for a grant under the Grant Program
 20 regardless of ownership or location.]

21 [(3)] (D) (1) [(i) Subject to subparagraph (ii) of this paragraph, the]
 22 THE Department of Commerce MAY DISTRIBUTE FUNDING IN ACCORDANCE WITH
 23 SUBSECTION (B) OF THIS SECTION AND A COUNTY may award grants until all the money
 24 allotted for the Grant Program has been DISTRIBUTED OR awarded or until December 31,
 25 2024, whichever occurs first.

26 [(ii) The Department of Commerce may not award more than one
 27 grant to the same qualified small business in a 12-month period.]

28 [(4)] (2) Any money that has not been DISTRIBUTED OR awarded on or
 29 before December 31, 2024, shall revert to the Maryland Economic Development Assistance
 30 Fund.

31 Article – Tax – General

32 10–721.

33 (b) (1) The purpose of the Research and Development Tax Credit Program is
 34 to foster increased research activities and expenditures in Maryland.

1 (g) [(1)] In accordance with § 2.5–109 of the Economic Development Article, the
2 Department shall report on the credits approved under this section.

3 [(2)] The report required under paragraph (1) of this subsection shall include
4 for each individual or corporation approved to receive a credit under this section in the prior
5 calendar year:

6 (i) the individual's or corporation's name and address; and

7 (ii) the amount of the credit approved.

8 (3) The report required under paragraph (1) of this subsection shall include
9 the name of the individual or corporation and the aggregate amount of credits approved in
10 all calendar years for each individual or corporation under this section.

11 (4) The report required under paragraph (1) of this subsection shall
12 summarize for the credits approved under this section:

13 (i) the total number of applicants for credits under this section in
14 each calendar year;

15 (ii) the number of applications for which a tax credit was approved
16 in each calendar year; and

17 (iii) the total credits authorized under this section for all calendar
18 years under this section.]

19 10–725.

20 (h) [(1)] In accordance with § 2.5–109 of the Economic Development Article, the
21 Department shall report on[:

22 (i) the initial tax credit certificates awarded under this section for
23 the calendar year, including the number of initial tax credit certificates awarded to
24 qualified investors for investments in qualified Maryland biotechnology companies that
25 were not certified by the Department in the previous calendar year; and

26 (ii) for each qualified Maryland biotechnology company that receives
27 an investment for which an initial tax credit certificate is awarded under this section for
28 the calendar year:

29 1. the number of years that the company has been in active
30 business; and

31 2. the number of years that qualified investors in the
32 company have received tax credits under this section] **THE INITIAL TAX CREDIT**

1 **CERTIFICATES AWARDED FOR THE CALENDAR YEAR AND THE QUALIFIED**
2 **MARYLAND BIOTECHNOLOGY COMPANIES THAT RECEIVED AN INVESTMENT FOR**
3 **WHICH AN INITIAL TAX CREDIT CERTIFICATE WAS AWARDED.**

4 [(2) The report required under paragraph (1) of this subsection shall include
5 for each initial tax credit certificate awarded:

6 (i) the name of the qualified investor and the amount of credit
7 awarded or allocated to each investor;

8 (ii) the name and address of the qualified Maryland biotechnology
9 company that received the investment giving rise to the credit under this section and the
10 county where the qualified Maryland biotechnology company is located; and

11 (iii) the dates of receipt and approval by the Department of all
12 applications for initial tax credit certificates.

13 (3) The report required under paragraph (1) of this subsection shall
14 summarize for the category of qualified investors:

15 (i) the total number of applicants for initial tax credit certificates
16 under this section in each calendar year;

17 (ii) the number of applications for which initial tax credit certificates
18 were issued in each calendar year; and

19 (iii) the total initial tax credit certificates authorized under this
20 section for all calendar years under this section.]

21 10-730.

22 (e) [(1)] In accordance with § 2.5-109 of the Economic Development Article, the
23 Department shall submit a report [that includes:

24 (i) the number of film production entities submitting applications
25 under subsection (c) of this section;

26 (ii) the number and amount of tax credit certificates issued under
27 subsection (d) of this section;

28 (iii) the number of local technicians, actors, and extras hired for film
29 production activity during the reporting period;

30 (iv) a list of companies doing business in the State, including hotels,
31 that directly provided goods or services for film production activity during the reporting
32 period;

1 (v) a list of companies doing business in the State that directly
2 provided goods or services for film production activity during the reporting period that
3 qualified during the reporting period as minority business enterprises under § 14–301(f) of
4 the State Finance and Procurement Article;

5 (vi) a list of companies doing business in the State that directly
6 provided goods or services for film production activity during the reporting period that, as
7 determined by the Department, are considered small businesses; and

8 (vii) any other information that indicates] **ON FILM PRODUCTION**
9 **ACTIVITY IN THE STATE AND** the economic benefits to the State resulting from film
10 production activity during the reporting period.

11 [(2) On or before July 1 of each year, the Department shall report to the
12 Governor and, subject to § 2–1257 of the State Government Article, the General Assembly
13 on:

14 (i) the amount of tax credits necessary to maintain the current level
15 of film production activity in the State; and

16 (ii) the amount of tax credits necessary to attract new film
17 production activity to the State.]

18 10–733.

19 (b) (1) The Innovation Investment Incentive Tax Credit is intended to foster
20 the growth of Maryland’s technology sectors by incentivizing investment in early–stage
21 companies with the goal of increasing the number of companies developing innovative
22 technologies in Maryland, increasing overall investments in current and emerging
23 technology sectors, and increasing the number of individual investors actively investing in
24 Maryland’s technology companies.

25 (h) [(1)] In accordance with § 2.5–109 of the Economic Development Article, the
26 Department shall submit a report on the initial tax credit certificates awarded under this
27 section for the calendar year.

28 [(2) The report required under paragraph (1) of this subsection shall include
29 for each initial tax credit certificate awarded:

30 (i) the name of the qualified investor and the amount of credit
31 awarded or allocated to each qualified investor;

32 (ii) the name and address of the qualified Maryland technology
33 company that received the investment giving rise to the credit under this section and the
34 county where the qualified Maryland technology company is located; and

1 (iii) the dates of receipt and approval by the Department of all
2 applications for initial tax credit certificates.

3 (3) The report required under paragraph (1) of this subsection shall
4 summarize for the categories of qualified investors:

5 (i) the total number of applicants for initial tax credit certificates
6 under this section in each calendar year;

7 (ii) the number of applications for which initial tax credit certificates
8 were issued in each calendar year; and

9 (iii) the total initial tax credit certificates authorized under this
10 section for all calendar years under this section.]

11 10-733.1.

12 (b) (1) Subject to paragraphs (2) and (3) of this subsection, a qualified buyer
13 may claim a credit against the State income tax in an amount equal to 50% of the cost
14 incurred during the taxable year to purchase cybersecurity technology or a cybersecurity
15 service from one or more qualified sellers.

16 (f) [(1)] In accordance with § 2.5-109 of the Economic Development Article, the
17 Department shall submit a report on the credit certificates awarded under this section for
18 the calendar year.

19 [(2)] The report required under paragraph (1) of this subsection shall include
20 for each credit certificate awarded:

21 (i) the names of the qualified buyer and the qualified seller and the
22 amount of the credit certificate approved for each qualified buyer;

23 (ii) the name and address of the qualified buyer that received the
24 credit under this section and the county where the qualified buyer is located; and

25 (iii) the dates of receipt and approval by the Department of all
26 applications for credit certificates.

27 (3) The report required under paragraph (1) of this subsection shall
28 summarize for the categories of qualified buyers:

29 (i) the total number of applicants for credit certificates under this
30 section in each calendar year;

1 (ii) the number of applications for which credit certificates were
2 issued in each calendar year; and

3 (iii) the total amount of credit certificates authorized under this
4 section for all calendar years under this section.]

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
6 1, 2022.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.