

# SENATE BILL 128

C8

(PRE-FILED)

3lr0764  
CF 3lr1126

---

By: **Senator Hester**

Requested: November 14, 2022

Introduced and read first time: January 11, 2023

Assigned to: Finance

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development – Emergency Relief Program – Established**

3 FOR the purpose of establishing the Emergency Relief Program in the Department of  
4 Commerce to assist certain small businesses in the State to recover from economic  
5 hardships sustained from certain emergencies; and generally relating to the  
6 establishment of the Emergency Relief Program.

7 BY adding to

8 Article – Economic Development

9 Section 5–2301 through 5–2305 to be under the new subtitle “Subtitle 23. Emergency  
10 Relief Program”

11 Annotated Code of Maryland

12 (2018 Replacement Volume and 2022 Supplement)

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

15 **Article – Economic Development**

16 **SUBTITLE 23. EMERGENCY RELIEF PROGRAM.**

17 **5–2301.**

18 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**  
19 **INDICATED.**

20 **(B) “EMERGENCY” HAS THE MEANING STATED IN § 14–101 OF THE PUBLIC**  
21 **SAFETY ARTICLE.**

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (C) "PROGRAM" MEANS THE EMERGENCY RELIEF PROGRAM.

2 (D) "SMALL BUSINESS" MEANS A SMALL, MINORITY, OR WOMEN-OWNED  
3 BUSINESS THAT:

4 (1) IS INDEPENDENTLY OWNED AND OPERATED;

5 (2) IS NOT A SUBSIDIARY OF ANOTHER BUSINESS;

6 (3) IS NOT DOMINANT IN ITS FIELD OF OPERATION;

7 (4) IS IN GOOD STANDING WITH THE STATE; AND

8 (5) DOES NOT EMPLOY IN ITS OPERATIONS MORE THAN 50 FULL-TIME  
9 EQUIVALENT EMPLOYEES.

10 5-2302.

11 (A) THERE IS AN EMERGENCY RELIEF PROGRAM IN THE DEPARTMENT.

12 (B) THE PURPOSE OF THE PROGRAM IS TO ASSIST SMALL BUSINESSES IN  
13 THE STATE TO RECOVER FROM ECONOMIC HARDSHIPS SUSTAINED FROM MULTIPLE  
14 EMERGENCIES.

15 5-2303.

16 IN ORDER TO QUALIFY FOR THE PROGRAM, A SMALL BUSINESS SHALL:

17 (1) BE LOCATED IN AN AREA THAT HAS HAD THREE OR MORE STATES  
18 OF EMERGENCY DECLARED BY THE GOVERNOR UNDER § 14-107 OF THE PUBLIC  
19 SAFETY ARTICLE WITHIN THE IMMEDIATELY PRECEDING 10 YEARS;

20 (2) HAVE RECEIVED AND HAD FORGIVEN A LOAN ADMINISTERED BY  
21 THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT; AND

22 (3) HAVE EXPERIENCED A REDUCTION IN GROSS REVENUE OF AT  
23 LEAST 25% IN THE CALENDAR YEAR FOLLOWING A STATE OF EMERGENCY.

24 5-2304.

25 (A) A SMALL BUSINESS SHALL SUBMIT AN APPLICATION FOR A PROGRAM  
26 GRANT ON THE FORM THAT THE SECRETARY REQUIRES.

1           **(B) THE PROGRAM SHALL REVIEW THE APPLICATION AND ALL SUPPORTING**  
2 **MATERIALS IN ORDER TO EVALUATE WHETHER THE SMALL BUSINESS QUALIFIES**  
3 **FOR A GRANT UNDER THE PROGRAM.**

4           **(C) (1) FUNDS FOR GRANTS AWARDED UNDER THE PROGRAM SHALL BE**  
5 **AS PROVIDED IN THE STATE BUDGET.**

6                   **(2) SUBJECT TO THE AVAILABILITY OF FUNDS, THE PROGRAM MAY**  
7 **AWARD AN ELIGIBLE SMALL BUSINESS A GRANT THAT EQUALS THE AMOUNT OF**  
8 **FEDERAL TAXES INCURRED BY THE SMALL BUSINESS AS A RESULT OF THE**  
9 **BUSINESS'S LOAN FORGIVENESS BY THE DEPARTMENT OF HOUSING AND**  
10 **COMMUNITY DEVELOPMENT.**

11                   **(3) THE PROGRAM SHALL AWARD THE GRANTS DESCRIBED UNDER**  
12 **PARAGRAPH (2) OF THIS SUBSECTION ON A FIRST-COME, FIRST-SERVED BASIS.**

13 **5-2305.**

14           **THE SECRETARY MAY ADOPT REGULATIONS TO CARRY OUT THIS SUBTITLE.**

15           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
16 October 1, 2023.