

# HOUSE BILL 404

C8

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CF SB 499

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By: **Delegates Luedtke, D. Barnes, Cain, Ebersole, Feldmark, Hornberger, Ivey,  
Mosby, Patterson, Smith, and Wilkins**

Introduced and read first time: January 23, 2020

Assigned to: Ways and Means

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Committee Report: Favorable

House action: Adopted

Read second time: February 14, 2020

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Economic Development Programs – Data Collection and Tracking – Minority**  
3 **Business Enterprises**

4 FOR the purpose of requiring the Department of Commerce to include certain information  
5 relating to certain minority business enterprises in a certain annual report on  
6 economic development programs that the Department administers; and generally  
7 related to minority business enterprises.

8 BY repealing and reenacting, with amendments,  
9 Article – Economic Development  
10 Section 2.5–109  
11 Annotated Code of Maryland  
12 (2018 Replacement Volume and 2019 Supplement)

13 BY repealing and reenacting, without amendments,  
14 Article – State Finance and Procurement  
15 Section 14–301(a) and (f)  
16 Annotated Code of Maryland  
17 (2015 Replacement Volume and 2019 Supplement)

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**

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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.



1 2.5–109.

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

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

5 (2) the Partnership for Workforce Quality Program established under Title  
6 3, Subtitle 4 of this article;

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

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

11 (i) the Film Production Activity Tax Credit;

12 (ii) the Job Creation Tax Credit;

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

14 (iv) the Biotechnology Investment Incentive Tax Credit;

15 (v) the Research and Development Tax Credit;

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

18 (vii) the Cybersecurity Investment Incentive Tax Credit; and

19 (viii) the Aerospace, Electronics, or Defense Contract Tax Credit.

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

22 (c) On or before December 31, 2013, and each year thereafter, the Department  
23 shall submit a report on the economic development programs that were administered by  
24 the Department during the previous fiscal year to the Governor and, in accordance with §  
25 2–1257 of the State Government Article, the General Assembly.

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

28 (i) the number of jobs created;

- 1 (ii) the number of jobs retained;
- 2 (iii) the estimated amount of State revenue generated;
- 3 (iv) the status of any special fund; [and]

4 (V) FOR MINORITY BUSINESS ENTERPRISES, AS DEFINED IN §  
 5 14-301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE:

6 1. THE NUMBER OF ENTERPRISES THAT RECEIVED  
 7 ASSISTANCE FROM EACH ECONOMIC DEVELOPMENT PROGRAM; AND

8 2. THE PERCENTAGE OF ASSISTANCE DISTRIBUTED TO  
 9 EACH MINORITY BUSINESS ENTERPRISE FROM EACH ECONOMIC DEVELOPMENT  
 10 PROGRAM COMPARED TO THE TOTAL ASSISTANCE DISTRIBUTED FROM EACH  
 11 ECONOMIC DEVELOPMENT PROGRAM; AND

12 [(v)] (VI) any additional information required by the Department  
 13 through regulations.

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

- 16 (i) each economic development program; and
- 17 (ii) each recipient of assistance from an economic development  
 18 program.

19 (3) The report required under this section shall include any additional  
 20 information required under the law authorizing the economic development program.

21 (e) If a recipient of assistance from an economic development program is not  
 22 meeting the requirements of the economic development program, the Department shall  
 23 implement a process to assist the recipient in meeting the program requirements.

24 **Article – State Finance and Procurement**

25 14-301.

- 26 (a) In this subtitle the following words have the meanings indicated.
- 27 (f) “Minority business enterprise” means any legal entity, except a joint venture,  
 28 that is:
  - 29 (1) organized to engage in commercial transactions;

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1                   (2)     at least 51% owned and controlled by 1 or more individuals who are  
2 socially and economically disadvantaged; and

3                   (3)     managed by, and the daily business operations of which are controlled  
4 by, one or more of the socially and economically disadvantaged individuals who own it.

5           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
6 October 1, 2020.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.