

Chapter 514

(House Bill 222)

AN ACT concerning

Task Force on the Minority Business Enterprise Program and Equity Investment Capital

FOR the purpose of establishing a Task Force on the Minority Business Enterprise Program and Equity Investment Capital; providing for the compensation of the Task Force; requiring the President of the Senate and the Speaker of the House to select a cochair from the Senate and House of Delegates; requiring the Department of General Services and the Department of Transportation to provide staff for the Task Force; prohibiting a Task Force member from receiving compensation but allowing a member to be reimbursed for certain expenses; requiring the Task Force to study how to facilitate the acquisition of investment equity capital by minority business enterprises in Maryland in a certain manner; requiring the Task Force to report its recommendations and draft legislation to the Governor and General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to the Minority Business Enterprise Program and Equity Investment Capital.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

(a) There is a Task Force on the Minority Business Enterprise Program and Equity Investment Capital.

(b) The Task Force consists of the following members:

(1) two members of the Senate of Maryland, appointed by the President of the Senate;

(2) two members of the House of Delegates, appointed by the Speaker of the House; and

(3) the following seven members, appointed by the Governor:

(i) one representative of the Department of General Services;

(ii) one representative of the Department of Transportation;

(iii) one representative of the Governor's Office of Minority

Affairs;

- (iv) one representative of a professional private equity firm;
 - (v) one representative of a law firm with proficiency in business, equity transactions, and corporate governance;
 - (vi) one representative of the business community who has founded and been the chief executive of at least one successful company, has experience with equity transactions from the business side, and has participated in a formal corporate board, preferably recognized for entrepreneurship; and
 - (vii) one representative of the Maryland Small Business Development Financing Authority.
- (c) The President of the Senate and the Speaker of the House shall designate a Senator and a Delegate to cochair the Task Force.
- (d) The Department of General Services and the Department of Transportation shall provide staff for the Task Force.
- (e) A member of the Task Force:
- (1) may not receive compensation as a member of the Task Force; but
 - (2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.
- (f) The Task Force shall:
- (1) study how to facilitate the acquisition of investment equity capital by minority business enterprises in Maryland in a manner that:
 - (i) allows minority business enterprise owners to retain operational control of the business enterprise; and
 - (ii) provides adequate protection to equity investors;
 - (2) make recommendations regarding the necessary modifications to the Minority Business Enterprise Program that will authorize and encourage equity investment in minority business enterprises in Maryland; and
 - (3) develop draft legislation for the 2011 legislative session to implement the recommendations identified in paragraph (2) of this subsection.

(g) On or before December 1, 2010, the Task Force shall report its recommendations and draft legislation to the Governor and, in accordance with § 2-1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2010. It shall remain effective for a period of 1 year and, at the end of May 31, 2011, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 20, 2010.