

SENATE BILL 415

L6, Q8, C8

6lr2894
CF HB 278

By: **Senator Serafini**

Introduced and read first time: January 29, 2016

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development – Municipal Corporations – Community Revitalization**
3 **and Improvement Zones**

4 FOR the purpose of authorizing the governing body of certain municipal corporations to
5 establish, by local law, a certain contracting authority for the purpose of designating
6 a community revitalization and improvement zone; establishing an application
7 process within the Department of Economic Competitiveness and Commerce to
8 designate a zone; requiring the application to contain certain information; requiring,
9 within a certain period of time, the application to be approved by the Department
10 and the municipal corporation in which the zone is located or disapproved by either;
11 authorizing a certain contracting authority, on approval of an application, to
12 designate a zone and apply to a certain municipal corporation to issue certain bonds
13 for certain purposes; authorizing the governing body of certain municipal
14 corporations to issue certain bonds under certain circumstances; requiring the
15 governing body of certain municipal corporations to create a certain special fund;
16 prohibiting a member of a certain contracting authority from receiving money from
17 the special fund; requiring a certain contracting authority to file with the
18 Department a certain list by a certain date each year; requiring certain qualified
19 businesses within a zone to file a certain report with the Department each year;
20 requiring the Department, each year, to verify a certain baseline tax amount;
21 requiring the Department to make certain calculations and certify certain amounts
22 to the Comptroller; requiring the Comptroller, within a certain number of days after
23 receiving a certification, to transfer a certain amount from the General Fund of the
24 State to a certain special fund of a municipal corporation to be used for certain
25 purposes; providing, under certain circumstances, for a recapture of the amount
26 transferred; requiring that the money transferred and used for certain purposes be
27 matched by a certain amount of private investment; requiring a certain contracting
28 authority to file a certain report with the Department; authorizing the contracting
29 authority, with the approval of the Department, to transfer a certain portion of a
30 zone out of the zone and certain additional acreage into the zone; requiring a zone to
31 be in existence for a certain period of time; requiring the Department to adopt certain

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 regulations; defining certain terms; and generally relating to the establishment of
2 community revitalization and improvement zones in municipal corporations.

3 BY adding to

4 Article – Economic Development

5 Section 12–601 through 12–612 to be under the new subtitle “Subtitle 6. Community
6 Revitalization and Improvement Zones”

7 Annotated Code of Maryland

8 (2008 Volume and 2015 Supplement)

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

11 **Article – Economic Development**

12 **SUBTITLE 6. COMMUNITY REVITALIZATION AND IMPROVEMENT ZONES.**

13 **12–601.**

14 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
15 INDICATED.

16 (B) “BASELINE YEAR” MEANS THE CALENDAR YEAR IN WHICH A
17 COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE IS ESTABLISHED.

18 (C) “BOND” MEANS A REVENUE BOND, NOTE, OR OTHER SIMILAR
19 INSTRUMENT ISSUED IN ACCORDANCE WITH THIS SUBTITLE.

20 (D) “COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE” MEANS AN
21 AREA OF NOT MORE THAN 130 ACRES COMPOSED OF PARCELS DESIGNATED BY THE
22 CONTRACTING AUTHORITY THAT WILL PROVIDE ECONOMIC DEVELOPMENT AND JOB
23 CREATION WITHIN THE MUNICIPAL CORPORATION.

24 (E) “CONTRACTING AUTHORITY” MEANS AN AUTHORITY ESTABLISHED BY A
25 MUNICIPAL CORPORATION FOR THE PURPOSE OF:

26 (1) DESIGNATING COMMUNITY REVITALIZATION AND IMPROVEMENT
27 ZONES; AND

28 (2) ENGAGING IN THE CONSTRUCTION, INCLUDING RELATED SITE
29 PREPARATION AND INFRASTRUCTURE, RECONSTRUCTION, OR RENOVATION OF
30 FACILITIES.

31 (F) “ELIGIBLE TAX” MEANS ANY OF THE FOLLOWING TAXES:

1 **(1) THE CORPORATE INCOME TAX AND INDIVIDUAL INCOME TAX**
2 **IMPOSED UNDER TITLE 10 OF THE TAX – GENERAL ARTICLE TO THE EXTENT THE**
3 **TAX IS RELATED TO:**

4 **(I) AN ACTIVITY OF A QUALIFIED BUSINESS WITHIN A**
5 **COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE; OR**

6 **(II) WORK PERFORMED BY AN EMPLOYEE OF A QUALIFIED**
7 **BUSINESS WITHIN A COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE; AND**

8 **(2) THE SALES AND USE TAX IMPOSED UNDER TITLE 11 OF THE TAX –**
9 **GENERAL ARTICLE TO THE EXTENT THE TAX IS RELATED TO AN ACTIVITY OF A**
10 **QUALIFIED BUSINESS WITHIN A COMMUNITY REVITALIZATION AND IMPROVEMENT**
11 **ZONE.**

12 **(G) “FACILITY” MEANS A STRUCTURE OR COMPLEX OF STRUCTURES TO BE**
13 **USED FOR COMMERCIAL, COMMUNITY, CONFERENCE, EXHIBITION, HOSPITALITY,**
14 **OFFICE, RECREATIONAL, RETAIL, SPORTS, OR MIXED–USE PURPOSES.**

15 **(H) “INDIVIDUAL INCOME TAX” INCLUDES THE COUNTY INCOME TAX**
16 **REQUIRED UNDER § 10–103 OF THE TAX – GENERAL ARTICLE.**

17 **(I) (1) “QUALIFIED BUSINESS” MEANS AN ENTITY LOCATED OR**
18 **PARTIALLY LOCATED IN A COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE**
19 **THAT:**

20 **(I) CONDUCTS AN ACTIVE TRADE OR BUSINESS IN THE**
21 **COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE; AND**

22 **(II) APPEARS ON THE LIST FILED UNDER § 12–605 OF THIS**
23 **SUBTITLE.**

24 **(2) “QUALIFIED BUSINESS” INCLUDES A CONTRACTOR ENGAGED IN**
25 **CONSTRUCTION, INCLUDING INFRASTRUCTURE OR SITE PREPARATION,**
26 **RECONSTRUCTION, OR RENOVATION OF A FACILITY LOCATED IN OR PARTIALLY**
27 **LOCATED IN A COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE.**

28 **(3) “QUALIFIED BUSINESS” DOES NOT INCLUDE AN AGENT, A**
29 **BROKER, OR A REPRESENTATIVE OF A BUSINESS.**

30 **12–602.**

1 **THE GOVERNING BODY OF A MUNICIPAL CORPORATION WITH A POPULATION**
2 **OF AT LEAST 20,000 MAY ESTABLISH, BY LOCAL LAW, A CONTRACTING AUTHORITY**
3 **FOR THE PURPOSE OF DESIGNATING A COMMUNITY REVITALIZATION AND**
4 **IMPROVEMENT ZONE UNDER THIS SUBTITLE.**

5 **12-603.**

6 **(A) (1) A CONTRACTING AUTHORITY MAY APPLY TO THE DEPARTMENT**
7 **FOR APPROVAL OF A COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE PLAN.**

8 **(2) THE APPLICATION UNDER PARAGRAPH (1) OF THIS SUBSECTION**
9 **SHALL INCLUDE:**

10 **(I) AN ECONOMIC DEVELOPMENT PLAN TO ESTABLISH ONE OR**
11 **MORE FACILITIES THAT WILL PROMOTE ECONOMIC DEVELOPMENT;**

12 **(II) SPECIFIC INFORMATION RELATING TO THE FACILITY OR**
13 **FACILITIES THAT WILL BE CONSTRUCTED, INCLUDING INFRASTRUCTURE AND SITE**
14 **PREPARATION, RECONSTRUCTED, OR RENOVATED AS PART OF THE PLAN;**

15 **(III) A DESCRIPTION AND MAP OF THE SPECIFIC GEOGRAPHIC**
16 **AREA OF THE ZONE; AND**

17 **(IV) ANY OTHER INFORMATION REQUIRED BY THE**
18 **DEPARTMENT.**

19 **(B) (1) THE APPLICATION MUST BE APPROVED BY:**

20 **(I) THE DEPARTMENT; AND**

21 **(II) THE GOVERNING BODY OF THE MUNICIPAL CORPORATION**
22 **IN WHICH THE COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE IS TO BE**
23 **LOCATED.**

24 **(2) (I) WITHIN 90 DAYS OF RECEIPT OF AN APPLICATION UNDER**
25 **THIS SUBSECTION, THE APPLICATION MUST BE APPROVED BY BOTH THE**
26 **DEPARTMENT AND THE GOVERNING BODY OF THE MUNICIPAL CORPORATION OR**
27 **DISAPPROVED BY EITHER.**

28 **(II) AN APPLICATION THAT IS NOT DISAPPROVED WITHIN 90**
29 **DAYS OF RECEIPT OF THE APPLICATION IS DEEMED TO BE APPROVED.**

30 **12-604.**

1 **(A) THE CONTRACTING AUTHORITY MAY:**

2 **(1) ON APPROVAL OF A COMMUNITY REVITALIZATION AND**
3 **IMPROVEMENT ZONE APPLICATION UNDER § 12-603 OF THIS SUBTITLE, DESIGNATE**
4 **A COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE WHERE A FACILITY MAY**
5 **BE CONSTRUCTED, INCLUDING INFRASTRUCTURE AND SITE PREPARATION,**
6 **RECONSTRUCTED, OR RENOVATED; AND**

7 **(2) APPLY TO THE MUNICIPAL CORPORATION TO ISSUE BONDS**
8 **PLEDGING REVENUE TRANSFERRED TO THE COMMUNITY REVITALIZATION AND**
9 **IMPROVEMENT ZONE SPECIAL FUND ESTABLISHED UNDER SUBSECTION (C) OF THIS**
10 **SECTION FOR:**

11 **(I) DEVELOPMENT OR IMPROVEMENTS WITHIN A ZONE; AND**

12 **(II) CONSTRUCTION, INCLUDING INFRASTRUCTURE AND SITE**
13 **PREPARATION, RECONSTRUCTION, OR RENOVATION OF A FACILITY WITHIN A**
14 **COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE THAT WILL RESULT IN**
15 **ECONOMIC DEVELOPMENT IN ACCORDANCE WITH THE CONTRACTING AUTHORITY'S**
16 **PLAN.**

17 **(B) THE GOVERNING BODY OF A MUNICIPAL CORPORATION THAT**
18 **ESTABLISHES A CONTRACTING AUTHORITY UNDER § 12-602 OF THIS SUBTITLE MAY**
19 **ISSUE BONDS PLEDGING REVENUE TRANSFERRED TO THE COMMUNITY**
20 **REVITALIZATION AND IMPROVEMENT ZONE SPECIAL FUND ESTABLISHED UNDER**
21 **SUBSECTION (C) OF THIS SECTION FOR:**

22 **(1) DEVELOPMENT OR IMPROVEMENTS WITHIN A ZONE; AND**

23 **(2) CONSTRUCTION, INCLUDING INFRASTRUCTURE AND SITE**
24 **PREPARATION, RECONSTRUCTION, OR RENOVATION OF A FACILITY WITHIN A**
25 **COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE THAT WILL RESULT IN**
26 **ECONOMIC DEVELOPMENT IN ACCORDANCE WITH THE CONTRACTING AUTHORITY'S**
27 **PLAN.**

28 **(C) (1) THE GOVERNING BODY OF A MUNICIPAL CORPORATION THAT**
29 **ESTABLISHES A CONTRACTING AUTHORITY UNDER § 12-602 OF THIS SUBTITLE**
30 **SHALL ESTABLISH A COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE**
31 **SPECIAL FUND THAT MAY BE USED ONLY TO PAY:**

32 **(I) DEBT SERVICE ON BONDS ISSUED UNDER SUBSECTION (B)**
33 **OF THIS SECTION; OR**

1 (II) FOR PURPOSES FOR WHICH BONDS COULD BE ISSUED
2 UNDER SUBSECTION (B) OF THIS SECTION.

3 (2) A MEMBER OF THE CONTRACTING AUTHORITY MAY NOT RECEIVE
4 MONEY DIRECTLY OR INDIRECTLY FROM THE COMMUNITY REVITALIZATION AND
5 IMPROVEMENT ZONE SPECIAL FUND.

6 12-605.

7 (A) (1) ON OR BEFORE JUNE 1 FOLLOWING THE BASELINE YEAR AND FOR
8 EACH YEAR THEREAFTER, EACH CONTRACTING AUTHORITY SHALL FILE WITH THE
9 DEPARTMENT A LIST:

10 (I) OF ALL BUSINESSES LOCATED IN THE COMMUNITY
11 REVITALIZATION AND IMPROVEMENT ZONE; AND

12 (II) OF ALL CONTRACTORS ENGAGED IN CONSTRUCTION,
13 RECONSTRUCTION, OR RENOVATION OF A FACILITY IN THE COMMUNITY
14 REVITALIZATION AND IMPROVEMENT ZONE.

15 (2) THE LIST UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL
16 INCLUDE FOR EACH BUSINESS THE ADDRESS, STATE TAX IDENTIFICATION NUMBER,
17 AND LOCATION WITHIN THE COMMUNITY REVITALIZATION AND IMPROVEMENT
18 ZONE.

19 (B) IF THE LIST UNDER SUBSECTION (A) OF THIS SECTION IS NOT PROVIDED
20 TO THE DEPARTMENT IN A TIMELY MANNER, THE DEPARTMENT MAY NOT CERTIFY
21 ANY ELIGIBLE TAX FOR THE PRIOR CALENDAR YEAR.

22 12-606.

23 ON OR BEFORE JUNE 1 FOLLOWING THE BASELINE YEAR AND FOR EACH YEAR
24 THEREAFTER, EACH QUALIFIED BUSINESS SHALL FILE A REPORT WITH THE
25 DEPARTMENT ON A FORM REQUIRED BY THE DEPARTMENT THAT INCLUDES:

26 (1) THE AMOUNT OF EACH ELIGIBLE TAX THAT WAS PAID TO THE
27 STATE BY THE QUALIFIED BUSINESS IN THE PRIOR CALENDAR YEAR; AND

28 (2) THE AMOUNT OF ELIGIBLE TAX REFUND RECEIVED FROM THE
29 STATE BY THE QUALIFIED BUSINESS IN THE PRIOR CALENDAR YEAR.

30 12-607.

1 (A) ON OR BEFORE OCTOBER 15 FOLLOWING THE BASELINE YEAR AND FOR
2 EACH YEAR THEREAFTER, THE DEPARTMENT SHALL VERIFY THE BASELINE YEAR
3 TAX AMOUNT, WHICH CONSISTS OF THE AMOUNT OF ELIGIBLE TAX PAID DURING THE
4 BASELINE YEAR, LESS ELIGIBLE TAX REFUNDS.

5 (B) (1) THIS SUBSECTION APPLIES TO A QUALIFIED BUSINESS THAT:

6 (I) MOVES INTO A COMMUNITY REVITALIZATION AND
7 IMPROVEMENT ZONE FROM WITHIN THE STATE AFTER THE BASELINE YEAR; OR

8 (II) IS IN A COMMUNITY REVITALIZATION AND IMPROVEMENT
9 ZONE BUT IS NOT INCLUDED IN THE CALCULATION OF THE STATE BASELINE TAX
10 AMOUNT UNDER SUBSECTION (A) OF THIS SECTION.

11 (2) (I) A QUALIFIED BUSINESS SUBJECT TO PARAGRAPH (1) OF
12 THIS SUBSECTION SHALL FILE THE REPORT REQUIRED UNDER § 12-606 OF THIS
13 SUBTITLE FOLLOWING THE END OF THE FIRST FULL CALENDAR YEAR IN WHICH THE
14 QUALIFIED BUSINESS CONDUCTED BUSINESS IN THE COMMUNITY REVITALIZATION
15 AND IMPROVEMENT ZONE AND EACH CALENDAR YEAR THEREAFTER.

16 (II) THE AMOUNT OF THE ELIGIBLE TAX VERIFIED BY THE
17 DEPARTMENT FOR THE QUALIFIED BUSINESS FOR THE PRIOR CALENDAR YEAR
18 SHALL BE ADDED TO THE BASELINE TAX AMOUNT FOR THE COMMUNITY
19 REVITALIZATION AND IMPROVEMENT ZONE FOR THE PRIOR CALENDAR YEAR AND
20 EACH YEAR THEREAFTER.

21 (3) THIS SUBSECTION DOES NOT APPLY TO A QUALIFYING BUSINESS
22 THAT MOVES INTO A COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE FROM
23 OUTSIDE THE STATE.

24 12-608.

25 (A) ON OR BEFORE OCTOBER 15 OF THE YEAR FOLLOWING THE BASELINE
26 YEAR AND EACH YEAR THEREAFTER, THE DEPARTMENT SHALL:

27 (1) MAKE THE FOLLOWING CALCULATION FOR QUALIFIED
28 BUSINESSES THAT FILE THE REPORTS UNDER § 12-606 OF THIS SUBTITLE
29 SEPARATELY FOR EACH ZONE BY:

30 (I) SUBTRACTING THE AMOUNT OF ELIGIBLE TAX REFUNDS
31 RECEIVED FROM THE STATE FROM THE AMOUNT OF ELIGIBLE TAX PAID TO THE
32 STATE; AND

1 (II) SUBTRACTING THE BASELINE TAX AMOUNT FOR THE
2 COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE FROM THE AMOUNT
3 CALCULATED UNDER ITEM (I) OF THIS ITEM; AND

4 (2) CERTIFY TO THE COMPTROLLER THE AMOUNT CALCULATED
5 UNDER ITEM (1)(II) OF THIS SUBSECTION.

6 (B) (1) THE CERTIFICATION MAY INCLUDE THE FOLLOWING:

7 (I) AN ADJUSTMENT MADE TO TIMELY FILED REPORTS UNDER
8 § 12-606 OF THIS SUBTITLE WITH THE DEPARTMENT FOR ELIGIBLE TAX ACTUALLY
9 PAID BY A QUALIFIED BUSINESS IN THE PRIOR CALENDAR YEAR; AND

10 (II) ELIGIBLE TAX REFUNDS PAID TO A QUALIFIED BUSINESS IN
11 THE COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE IN THE PRIOR
12 CALENDAR YEAR.

13 (2) THE CERTIFICATION MAY NOT INCLUDE TAX PAID BY A QUALIFIED
14 BUSINESS:

15 (I) THAT DID NOT FILE A TIMELY REPORT UNDER § 12-606 OF
16 THIS SUBTITLE; OR

17 (II) IF THE TAX WAS NOT INCLUDED IN THE STATE BASELINE
18 YEAR TAX AMOUNT CALCULATED UNDER § 12-607 OF THIS SUBTITLE.

19 12-609.

20 (A) (1) WITHIN 10 DAYS AFTER RECEIVING THE CERTIFICATION UNDER §
21 12-608 OF THIS SUBTITLE, THE COMPTROLLER SHALL TRANSFER FROM THE
22 GENERAL FUND THE AMOUNT OF CERTIFIED ELIGIBLE TAX TO EACH SPECIAL FUND
23 OF A MUNICIPAL CORPORATION ESTABLISHED UNDER § 12-604 OF THIS SUBTITLE
24 AS PROVIDED IN THE STATE BUDGET.

25 (2) THE AMOUNT TRANSFERRED UNDER THIS SUBSECTION SHALL
26 FIRST BE USED TO PAY DEBT SERVICE ON ANY OUTSTANDING BONDS OF THE
27 MUNICIPAL CORPORATION ISSUED UNDER § 12-604(B) OF THIS SUBTITLE.

28 (B) MONEY TRANSFERRED UNDER THIS SECTION MAY BE USED ONLY FOR:

29 (1) PAYMENT OF DEBT SERVICE ON BONDS ISSUED FOR THE
30 CONSTRUCTION, INCLUDING RELATED INFRASTRUCTURE AND SITE PREPARATION,

1 RECONSTRUCTION, OR RENOVATION OF A FACILITY IN THE COMMUNITY
2 REVITALIZATION AND IMPROVEMENT ZONE;

3 (2) CONSTRUCTION, INCLUDING RELATED INFRASTRUCTURE AND
4 SITE PREPARATION, RECONSTRUCTION, OR RENOVATION OF ALL OR A PART OF A
5 FACILITY;

6 (3) REPLENISHMENT OF AMOUNTS IN DEBT SERVICE RESERVE FUNDS
7 ESTABLISHED TO PAY DEBT SERVICE ON BONDS;

8 (4) IMPROVEMENT OR DEVELOPMENT OF A COMMUNITY
9 REVITALIZATION AND IMPROVEMENT ZONE; AND

10 (5) IMPROVEMENT PROJECTS, INCLUDING FIXTURES AND
11 EQUIPMENT, FOR A FACILITY IN THE COMMUNITY REVITALIZATION AND
12 IMPROVEMENT ZONE.

13 (C) IF THE AMOUNT OF MONEY TRANSFERRED TO THE FUND UNDER THIS
14 SECTION IN ANY ONE CALENDAR YEAR EXCEEDS THE MONEY UTILIZED UNDER THIS
15 SECTION IN THAT CALENDAR YEAR, THE CONTRACTING AUTHORITY SHALL SUBMIT
16 ON OR BEFORE JANUARY 15 FOLLOWING THE END OF THE CALENDAR YEAR THE
17 EXCESS MONEY TO THE COMPTROLLER FOR DEPOSIT INTO THE GENERAL FUND OF
18 THE STATE.

19 (D) (1) THE TRANSFER OF MONEY FROM THE FUND UTILIZED FOR
20 CONSTRUCTION, INCLUDING RELATED SITE PREPARATION AND INFRASTRUCTURE,
21 RECONSTRUCTION, OR RENOVATION OF FACILITIES IS SUBJECT TO A MATCH OF
22 PRIVATE FUNDS AT A RATIO OF 5 FUND DOLLARS TO 1 PRIVATE DOLLAR.

23 (2) ON OR BEFORE APRIL 1 FOLLOWING THE FIRST YEAR AFTER THE
24 BASELINE YEAR AND FOR EACH YEAR THEREAFTER, THE CONTRACTING AUTHORITY
25 SHALL FILE AN ANNUAL REPORT WITH THE DEPARTMENT THAT CONTAINS A
26 DETAILED ACCOUNT OF FUND EXPENDITURES AND A CALCULATION OF THE RATIO
27 REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION FOR THE PRIOR CALENDAR
28 YEAR.

29 12-610.

30 (A) (1) A PORTION OF A COMMUNITY REVITALIZATION AND
31 IMPROVEMENT ZONE IN WHICH A FACILITY HAS NOT BEEN CONSTRUCTED,
32 RECONSTRUCTED, OR RENOVATED USING FUNDS UNDER THIS SUBTITLE MAY BE
33 TRANSFERRED OUT OF THE COMMUNITY REVITALIZATION AND IMPROVEMENT
34 ZONE.

1 **(2) ADDITIONAL ACREAGE, NOT TO EXCEED THE ACREAGE**
2 **TRANSFERRED OUT OF THE COMMUNITY REVITALIZATION AND IMPROVEMENT**
3 **ZONE, MAY BE ADDED TO THE ZONE.**

4 **(B) ANY TRANSFER OR ADDITIONAL ACREAGE ADDED UNDER SUBSECTION**
5 **(A) OF THIS SECTION MUST BE APPROVED BY THE DEPARTMENT.**

6 **12-611.**

7 **(A) A COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE SHALL BE IN**
8 **EFFECT FOR A PERIOD EQUAL TO THE LENGTH OF TIME NECESSARY FOR**
9 **REPAYMENT OF THE BONDS ISSUED OR DEBT INCURRED ON BEHALF OF THE**
10 **COMMUNITY REVITALIZATION AND IMPROVEMENT ZONE.**

11 **(B) BONDS SHALL BE RETIRED AND ALL COMMUNITY REVITALIZATION AND**
12 **IMPROVEMENT ZONES SHALL BE DISSOLVED NO LATER THAN 20 YEARS FOLLOWING**
13 **THE INITIAL ISSUANCE OF THE BONDS.**

14 **12-612.**

15 **THE DEPARTMENT, IN CONSULTATION WITH THE COMPTROLLER, SHALL**
16 **ADOPT REGULATIONS TO IMPLEMENT THIS SUBTITLE.**

17 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect**
18 **October 1, 2016.**