

SENATE BILL 509

C8

(11r1878)

ENROLLED BILL

— *Education, Health, and Environmental Affairs and Budget and Taxation/Appropriations* —

Introduced by **Senator Peters**

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 **National Capital Strategic Economic Development Program – Eligibility *and***
3 ***Funding***

4 FOR the purpose of *extending certain funding to each fiscal year*; altering the definition of
5 “national capital region” for the purposes of the National Capital Strategic Economic
6 Development Program; requiring certain percentages of the National Capital
7 Strategic Economic Development Fund to be used for community enhancement
8 projects in sustainable communities located in certain areas in certain fiscal years;
9 and generally relating to the National Capital Strategic Economic Development
10 Program.

11 BY repealing and reenacting, with amendments,
12 Article – Housing and Community Development
13 Section 6–701 and 6–710

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 Annotated Code of Maryland
2 (2019 Replacement Volume and 2020 Supplement)

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

5 **Article – Housing and Community Development**

6 6–701.

7 (a) In this subtitle the following words have the meanings indicated.

8 (b) “Community development financial institution” has the meaning stated in 12
9 U.S.C. § 4702.

10 (c) “Community development organization” means an entity that meets the
11 requirements under § 6–704 of this subtitle.

12 (d) (1) “Financial assistance” means a grant, a loan, or an investment provided
13 under this subtitle.

14 (2) “Financial assistance” includes:

15 (i) an assurance;

16 (ii) a guarantee;

17 (iii) a prepayment of interest on a subordinate or superior loan or
18 portion of a loan;

19 (iv) a reduction in the principal obligation of or rate of interest
20 payable on a loan or a portion of a loan; and

21 (v) any other form of credit enhancement.

22 (e) “National capital region” means the areas of the State located within[:

23 (1) the boundary created by Interstate 495 in the State and the District of
24 Columbia; and

25 (2) (i) any qualified opportunity zone designated under § 1400Z–1 of
26 the Internal Revenue Code in Montgomery County or Prince George’s County; or

27 (ii) an enterprise zone, as defined in § 5–701 of the Economic
28 Development Article, in Montgomery County or Prince George’s County] **A SUSTAINABLE
29 COMMUNITY IN MONTGOMERY COUNTY OR PRINCE GEORGE’S COUNTY.**

1 (f) "Program" means the National Capital Strategic Economic Development
2 Program.

3 (g) "Sustainable community" means an area designated as a sustainable
4 community under § 6–205 of this title.
5 6–710.

6 (a) In this section, "Fund" means the National Capital Strategic Economic
7 Development Fund.

8 (b) There is a National Capital Strategic Economic Development Fund.

9 (c) The purpose of the Fund is to provide financial assistance under the Program.

10 (d) The Department shall administer the Fund.

11 (e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of
12 the State Finance and Procurement Article.

13 (2) The State Treasurer shall hold the Fund separately, and the
14 Comptroller shall account for the Fund.

15 (f) The Fund consists of:

16 (1) money appropriated in the State budget to the Fund;

17 (2) interest earnings of the Fund; and

18 (3) any other money from any other source accepted for the benefit of the
19 Fund.

20 (g) **[The] SUBJECT TO SUBSECTION (K) OF THIS SECTION, THE** Fund may be
21 used only for providing financial assistance under the Program.

22 (h) (1) The State Treasurer shall invest the money of the Fund in the same
23 manner as other State money may be invested.

24 (2) Any interest earnings of the Fund shall be credited to the Fund.

25 (i) Expenditures from the Fund may be made only in accordance with the State
26 budget.

1 (j) (1) For fiscal ~~years~~ YEAR 2021 ~~through 2025~~ AND EACH FISCAL YEAR
 2 THEREAFTER, the Governor shall include in the annual operating budget an appropriation
 3 for the Fund in the amount of \$200,000.

4 (2) For fiscal ~~years~~ YEAR 2021 ~~through 2025~~ AND EACH FISCAL YEAR
 5 THEREAFTER, the Governor shall include in the annual operating or capital budget an
 6 appropriation for the Fund in the amount of \$7,000,000.

7 ~~(K) (1) IN FISCAL YEARS 2022 AND 2023, AT LEAST 75% OF THE FUND~~
 8 ~~SHALL BE USED FOR COMMUNITY ENHANCEMENT PROJECTS IN SUSTAINABLE~~
 9 ~~COMMUNITIES LOCATED, AT LEAST IN PART, WITHIN THE BOUNDARY CREATED BY~~
 10 ~~INTERSTATE 495 IN THE STATE AND THE DISTRICT OF COLUMBIA.~~

11 ~~(2) IN FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER~~
 12 YEARS 2022 AND 2023, 100% OF THE FUND SHALL BE USED FOR COMMUNITY
 13 ENHANCEMENT PROJECTS IN SUSTAINABLE COMMUNITIES LOCATED;

14 (I) IN PRINCE GEORGE'S COUNTY, AT LEAST IN PART, WITHIN
 15 THE BOUNDARY CREATED BY INTERSTATE 495 IN THE STATE AND THE DISTRICT OF
 16 COLUMBIA; OR

17 (II) IN MONTGOMERY COUNTY, WITHIN AN ENTERPRISE ZONE
 18 OR THE BOUNDARY CREATED BY:

19 1. PRINCE GEORGE'S COUNTY;

20 2. MARYLAND ROUTE 200;

21 3. INTERSTATE 270;

22 4. INTERSTATE 495 TO THE MARYLAND STATE LINE; AND

23 5. THE DISTRICT OF COLUMBIA.

24 (2) IN FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER, 100%
 25 OF THE FUND SHALL BE USED FOR COMMUNITY ENHANCEMENT PROJECTS IN
 26 SUSTAINABLE COMMUNITIES LOCATED, AT LEAST IN PART, WITHIN THE BOUNDARY
 27 CREATED BY INTERSTATE 495 IN THE STATE AND THE DISTRICT OF COLUMBIA.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
 29 1, 2021.