

SENATE BILL 496

Q3, C8, K2

EMERGENCY BILL

11r0133
CF HB 612

By: The President (By Request – Administration) and Senators Augustine, Beidle, Benson, Carozza, Carter, Corderman, Eckardt, Edwards, Elfreth, Ellis, Feldman, Ferguson, Griffith, Guzzone, Hayes, Hester, Hettleman, Jackson, Kagan, Kelley, King, Klausmeier, Kramer, Lam, Lee, McCray, Patterson, Peters, Pinsky, Rosapepe, Salling, Simonaire, Smith, Sydnor, Waldstreicher, Washington, West, Young, and Zucker

Introduced and read first time: January 20, 2021

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted with floor amendments

Read second time: February 3, 2021

CHAPTER _____

1 AN ACT concerning

2 **Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and**
3 **Families (RELIEF) Act**

4 FOR the purpose of authorizing the Maryland Small Business Development Financing
5 Authority to convert up to a certain amount of certain financing provided to certain
6 businesses to grants under certain circumstances; allowing, beginning with a certain
7 taxable year, a subtraction under the Maryland income tax for certain
8 unemployment insurance benefits paid to an individual; allowing, for certain taxable
9 years, a subtraction under the Maryland income tax for certain coronavirus relief
10 payments received by a certain person during the taxable year; requiring the
11 Comptroller to publish certain guidance regarding the subtraction; requiring certain
12 governmental entities, on certain request, to provide certain information to the
13 Comptroller; allowing a subtraction modification under the Maryland income tax for
14 certain State economic impact payments; altering the definition of “rating year” for
15 purposes of excluding certain fiscal years from the calculation of the earned rates of
16 contribution for certain employing units under unemployment insurance law;
17 authorizing certain vendors, under certain circumstances, to take a certain credit
18 against the sales and use tax; requiring the Comptroller to provide certain payments,
19 in a certain manner, to certain individuals eligible to claim the Maryland earned
20 income tax credit for certain taxable years; requiring the Comptroller to report to the

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 Governor and the General Assembly on certain matters on or before certain dates;
2 authorizing the Governor on or before a certain date to transfer certain amounts
3 from certain accounts to a certain fund; establishing the Recovery Now Fund as a
4 special, nonlapsing fund; specifying the purpose of the Fund; requiring the
5 Department of Budget and Management to administer the Fund; requiring the State
6 Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying
7 the contents of the Fund; specifying the purpose for which the Fund may be used;
8 providing for the investment of money in and expenditures from the Fund; increasing
9 the monthly benefit under a certain program; requiring that the recipients of
10 payments under a certain program may not be removed from the program before a
11 certain date, except under certain circumstances; requiring certain recipients of
12 payments under a certain program who were denied benefits of the program to be
13 reenrolled in the program until a certain date; requiring certain entities to submit
14 certain reports on or before a certain date and at certain intervals thereafter;
15 authorizing the Governor to process certain budget amendments for certain
16 purposes; stating the intent of the General Assembly; requiring the Comptroller to
17 perform a cash flow analysis and report the results on or before a certain date;
18 defining certain terms; providing for the termination of certain provisions of this Act;
19 making this Act an emergency measure; and generally relating to economic
20 development and tax relief.

21 BY repealing and reenacting, without amendments,
22 Article – Economic Development
23 Section 5–501(a) and (b) and 5–549(a), (f), and (h)
24 Annotated Code of Maryland
25 (2018 Replacement Volume and 2020 Supplement)

26 BY adding to
27 Article – Economic Development
28 Section 5–559
29 Annotated Code of Maryland
30 (2018 Replacement Volume and 2020 Supplement)

31 BY repealing and reenacting, without amendments,
32 Article – Labor and Employment
33 Section 8–606(a) and 8–610(a)
34 Annotated Code of Maryland
35 (2016 Replacement Volume and 2020 Supplement)

36 BY repealing and reenacting, with amendments,
37 Article – Labor and Employment
38 Section 8–606(e)
39 Annotated Code of Maryland
40 (2016 Replacement Volume and 2020 Supplement)

41 BY repealing and reenacting, without amendments,
42 Article – Tax – General

1 Section 10–207(a), 10–307(a), and 11–105
2 Annotated Code of Maryland
3 (2016 Replacement Volume and 2020 Supplement)

4 BY adding to
5 Article – Tax – General
6 Section 10–207(jj) through (ll) and 10–307(g)(6)
7 Annotated Code of Maryland
8 (2016 Replacement Volume and 2020 Supplement)

9 BY repealing and reenacting, with amendments,
10 Article – Tax – General
11 Section 10–307(g)(4) and (5)
12 Annotated Code of Maryland
13 (2016 Replacement Volume and 2020 Supplement)

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

16 **Article – Economic Development**

17 **5–501.**

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

19 (b) “Authority” means the Maryland Small Business Development Financing
20 Authority.

21 **5–549.**

22 (a) In this part the following words have the meanings indicated.

23 (f) “Program” means the Equity Participation Investment Program.

24 (h) “Small business” means a business that is classified as a small business under
25 the U.S. Small Business Administration size standards.

26 **5–559.**

27 **(A) THIS SECTION APPLIES TO FINANCING PROVIDED UNDER THE**
28 **PROGRAM DURING FISCAL YEARS 2021 AND 2022 FOR THE PURPOSE OF RELIEVING**
29 **THE ADVERSE EFFECTS OF THE CORONAVIRUS PANDEMIC.**

30 **(B) THE AUTHORITY MAY CONVERT TO A GRANT UP TO \$50,000 OF THE**
31 **FINANCING DESCRIBED UNDER SUBSECTION (A) OF THIS SECTION THAT IS**
32 **PROVIDED TO A SMALL BUSINESS.**

Article – Tax – General

10–207.

(a) To the extent included in federal adjusted gross income, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(JJ) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2019, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT OF BENEFITS PAID TO AN INDIVIDUAL IN ACCORDANCE WITH TITLE 8 OF THE LABOR AND EMPLOYMENT ARTICLE.

(KK) (1) IN THIS SUBSECTION, “CORONAVIRUS RELIEF PAYMENT” MEANS A FEDERAL, STATE, OR LOCAL GOVERNMENT GRANT OR LOAN:

(I) FOR WHICH A PERSON APPLIED ON OR AFTER MARCH 5, 2020; AND

(II) THAT WAS PROVIDED TO THE PERSON FOR THE PURPOSE OF ASSISTING WITH THE ECONOMIC HARDSHIPS RESULTING FROM THE CORONAVIRUS PANDEMIC.

(2) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2019, BUT BEFORE JANUARY 1, 2022, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT OF A CORONAVIRUS RELIEF PAYMENT, INCLUDING A LOAN THAT HAS BEEN FORGIVEN, RECEIVED BY THE PERSON DURING THE TAXABLE YEAR.

(3) (I) THE COMPTROLLER SHALL PUBLISH GUIDANCE TO TAXPAYERS REGARDING ELIGIBILITY FOR THE SUBTRACTION ALLOWED UNDER THIS SUBSECTION, INCLUDING A LIST OF GRANTS AND LOANS THAT ARE ELIGIBLE FOR THE SUBTRACTION.

(II) ON REQUEST BY THE COMPTROLLER, A UNIT OF STATE GOVERNMENT OR A LOCAL GOVERNMENT SHALL PROVIDE TO THE COMPTROLLER THE NAME OF THE CORONAVIRUS RELIEF PAYMENT PROGRAMS ADMINISTERED BY THE UNIT OR LOCAL GOVERNMENT AND ANY OTHER REQUESTED INFORMATION REGARDING THOSE CORONAVIRUS RELIEF PAYMENTS.

(LL) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2020, BUT BEFORE JANUARY 1, 2022, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT OF ANY STATE ECONOMIC IMPACT PAYMENT RECEIVED BY AN INDIVIDUAL IN ACCORDANCE WITH CHAPTER ____ OR ____ (S.B.

1 ____ OR H.B. ____)(1LR0133 OR 1LR0134) OF THE ACTS OF THE GENERAL
2 ASSEMBLY OF 2021.

3 10-307.

4 (a) To the extent included in federal taxable income, the amounts under this
5 section are subtracted from the federal taxable income of a corporation to determine
6 Maryland modified income.

7 (g) The subtraction under subsection (a) of this section includes the amounts
8 allowed to be subtracted for an individual under:

9
10 (4) § 10-207(c-1) of this title (State tax-exempt interest from mutual
11 funds); [or]

12 (5) § 10-207(hh) of this title (Gain on the transfer of property within the
13 Laurel Park site or Pimlico site or Bowie Race Course Training Center property and income
14 realized as result of governmental expenditures); OR

15 **(6) § 10-207(KK) OF THIS TITLE (CORONAVIRUS RELIEF PAYMENTS).**

16 11-105.

17 (a) (1) Except as provided in subsections (b) and (c) of this section, a vendor
18 who timely files a sales and use tax return is allowed, for the expense of collecting and
19 paying the tax, a credit equal to 0.9% of the gross amount of sales and use tax that the
20 vendor is to pay to the Comptroller.

21 (2) The credit allowed under this section does not apply to any sales and
22 use tax that a vendor is required to pay to the Comptroller for any purchase or use that the
23 vendor makes that is subject to the tax.

24 (b) (1) Subject to paragraph (2) of this subsection, the credit allowed under this
25 section is 1.2% of the first \$6,000 of the gross amount of sales and use tax that the vendor
26 is to pay with each return.

27 (2) For a vendor who files or is eligible to file a consolidated return under
28 § 11-502 of this title, the credit allowed under paragraph (1) of this subsection is 1.2% of
29 the first \$6,000 of the gross amount of sales and use tax that the vendor is or would be
30 required to pay with the consolidated return.

31 (c) (1) The credit allowed under subsection (a) of this section may not exceed
32 \$500 for each return.

33 (2) For a vendor who files or is eligible to file a consolidated return under
34 § 11-502 of this title, the total maximum credit that the vendor is allowed under this section
35 for all returns filed for any period is \$500.

1 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
2 as follows:

3 **Article – Labor and Employment**

4 8–606.

5 (a) In this Part II of this subtitle the following words have the meanings
6 indicated.

7 (e) (1) [“Rating] **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
8 **SUBSECTION, “RATING year”** means the 12–month period beginning July 1 and ending
9 June 30 immediately preceding the computation date.

10 (2) **“RATING YEAR” DOES NOT INCLUDE:**

11 (I) **THE 12–MONTH PERIOD BEGINNING JULY 1, 2019, AND**
12 **ENDING JUNE 30, 2020; AND**

13 (II) **THE 12–MONTH PERIOD BEGINNING JULY 1, 2020, AND**
14 **ENDING JUNE 30, 2021.**

15 8–610.

16 (a) (1) An employing unit that meets the qualifications of this subsection shall
17 be assigned an earned rate of contribution that is based on the experience of the employing
18 unit.

19 (2) An employing unit qualifies under this subsection if, during each of the
20 3 rating years immediately preceding the computation date the employing unit:

21 (i) had an earned rating record that was chargeable with benefits;
22 and

23 (ii) reports taxable wages as required by § 8–626 of this subtitle for
24 the 3 rating years immediately preceding the computation date.

25 (3) An employing unit that does not qualify under paragraph (2) of this
26 subsection qualifies if:

27 (i) throughout the rating year immediately preceding the
28 computation date, the employing unit had an earned rating record that was chargeable
29 with benefits; and

1 (ii) during each of the 2 rating years immediately preceding the
2 computation date, the employing unit reports taxable wages as required by § 8–626 of this
3 subtitle for the 2 rating years immediately preceding the computation date.

4 SECTION 3. AND BE IT FURTHER ENACTED, That:

5 (a) This section does not apply to a sale by a marketplace seller, as defined under
6 § 11–101 of the Tax – General Article.

7 (b) (1) Subject to subsection (d) of this section, a vendor is allowed a credit
8 against the gross amount of sales and use tax for any of the 4 consecutive months
9 immediately following the month in which this Act takes effect if, for that month:

10 (i) the vendor timely files a sales and use tax return or consolidated
11 return; and

12 (ii) the gross amount of sales and use tax that the vendor is required
13 to pay with the return does not exceed \$6,000.

14 (2) The credit allowed under paragraph (1) of this subsection is equal to the
15 lesser of:

16 (i) the amount of sales and use tax collected during the month for
17 which the vendor qualifies for the credit under paragraph (1) of this subsection; or

18 (ii) \$3,000.

19 (c) A vendor may take the credit provided in paragraph (1) of this subsection by
20 reducing the gross amount of sales and use tax that the vendor is required to pay to the
21 Comptroller in accordance with Title 11 of the Tax – General Article by the amount of the
22 credit.

23 (d) A vendor may not take the credit allowed under § 11–105 of the Tax – General
24 Article for the same period for which the vendor applies the credit allowed under this
25 section against a return.

26 SECTION 4. AND BE IT FURTHER ENACTED, That, as soon as practicable after
27 the effective date of this Act, the Comptroller shall send by first–class mail to or direct
28 deposit in the financial institution accounts of each taxpayer who received a State earned
29 income tax credit in accordance with § 10–704 of the Tax – General Article, the following
30 amounts as State economic impact payments:

31 (1) with respect to a taxpayer who received a State earned income tax
32 credit for the taxable year beginning after December 31, 2018, but before January 1, 2020:

33 (i) \$300 for an individual other than an individual described under
34 items (ii) or (iii) of this item;

1 (ii) \$250 for an individual filing as married filing separately; or

2 (iii) \$500 for spouses filing a joint return or for a surviving spouse or
3 head of household as defined in § 2 of the Internal Revenue Code; and

4 (2) with respect to a taxpayer who received a State earned income tax
5 credit for the taxable year beginning after December 31, 2019, but before January 1, 2021:

6 (i) \$150 for an individual other than an individual described under
7 items (ii) or (iii) of this item;

8 (ii) \$125 for an individual filing as married filing separately; or

9 (iii) \$250 for spouses filing a joint return or for a surviving spouse or
10 head of household as defined in § 2 of the Internal Revenue Code.

11 SECTION 5. AND BE IT FURTHER ENACTED, That:

12 (a) Subject to subsection (c) of this section, on the first day of each month following
13 the effective date of this Act, the Comptroller shall report to the Governor and, in
14 accordance with § 2–1257 of the State Government Article, the General Assembly on the
15 status of the delivery of State economic impact payments required under Section 4 of this
16 Act and any obstacles that are preventing or slowing the payments.

17 (b) On or before December 31, 2021, and December 31, 2022, the Comptroller
18 shall report to the Governor and, in accordance with § 2–1257 of the State Government
19 Article, the General Assembly the amount of money paid in State economic impact
20 payments and the number of taxpayers who received a payment under Section 4 of this Act
21 for calendar years 2021 and 2022.

22 (c) Following the submission by the Comptroller of the report due on or before
23 December 31, 2022, under subsection (b) of this section, the Comptroller is not required to
24 provide the monthly reports required under subsection (a) of this section.

25 SECTION 6. AND BE IT FURTHER ENACTED, That, notwithstanding any other
26 provision of law, on or before June 30, 2021, the Governor may transfer to the Recovery
27 Now Fund established under this Act:

28 (1) \$320,000,000 of the funds in the Revenue Stabilization Account
29 established under § 7–311 of the State Finance and Procurement Article; and

30 (2) \$100,000,000 of the funds in the Local Reserve Account established to
31 comply with § 2–606 of the Tax – General Article.

32 SECTION 7. AND BE IT FURTHER ENACTED, That:

- 1 (a) In this section, “Fund” means the Recovery Now Fund.
- 2 (b) There is a Recovery Now Fund.
- 3 (c) The purpose of the Fund is to receive specified money to be spent on specified
 4 purposes on or before June 30, 2021.
- 5 (d) (1) The Department of Budget and Management shall administer the
 6 Fund.
- 7 (2) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of
 8 the State Finance and Procurement Article.
- 9 (3) The State Treasurer shall hold the Fund separately, and the
 10 Comptroller shall account for the Fund.
- 11 (e) The Fund consists of money transferred to the Fund as authorized under this
 12 Act.
- 13 (f) (1) Except as otherwise provided in this Act, money in the Fund shall be
 14 retained in the Fund and may not be spent for any purpose.
- 15 (2) Except as otherwise provided by law, any unspent balance in the Fund
 16 on June 30, 2021, shall revert to the General Fund.
- 17 (3) Notwithstanding the requirements of Section 27 of Chapter 19 of the
 18 Acts of 2020 and the budget amendment procedure provided in Title 7, Subtitle 2 of the
 19 State Finance and Procurement Article, of the money credited to the Fund up to the
 20 following specified amounts may be used for fiscal year 2021 for the following purposes in
 21 addition to the amounts authorized under Chapter 19 of the Acts of 2020:

<u>Appropriation Code</u>	<u>Program Title</u>	<u>Amount</u>
<u>N00G00.08</u>	<u>Assistance Payments</u>	<u>\$22,000,000</u>
<u>D50H01.06</u>	<u>Maryland Emergency Management Agency</u>	<u>\$13,000,000</u>
<u>N00I00.07</u>	<u>Office of Grants Management</u>	<u>\$10,000,000</u>
<u>N00I00.06</u>	<u>Office of Home Energy Programs</u>	<u>\$9,000,000</u>
<u>M00R01.03</u>	<u>Maryland Community Health Resource Commission</u>	<u>\$5,000,000</u>
<u>S00A24.01</u>	<u>Neighborhood Revitalization</u>	<u>\$30,000,000</u>
<u>T00G00.05</u>	<u>Maryland State Arts Council</u>	<u>\$10,000,000</u>
<u>T00F00.23</u>	<u>Maryland Economic Development Assistance Authority and Fund</u>	<u>\$40,000,000</u>
<u>T00F00.23</u>	<u>Maryland Economic Development Assistance Authority and Fund</u>	<u>\$26,000,000</u>

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1	<u>T00F00.23</u>	<u>Maryland Economic Development Assistance Authority and Fund</u>	<u>\$10,000,000</u>
2			
3	<u>S00A24.01</u>	<u>Neighborhood Revitalization</u>	<u>\$10,000,000</u>
4	<u>T00F00.15</u>	<u>Maryland Small, Minority, and Women-Owned Businesses Account</u>	<u>\$10,000,000</u>
5			
6	<u>P00G01.07</u>	<u>Workforce Development</u>	<u>\$10,000,000</u>
7	<u>T50T01.01</u>	<u>Technology Development, Transfer and Commercialization</u>	<u>\$10,000,000</u> <u>\$1,500,000</u>
8			
9	<u>S00A20.01</u>	<u>Office of the Secretary</u>	<u>\$5,000,000</u>
10	<u>L00A12.20</u>	<u>Maryland Agricultural and Resource-Based Industry Development Corporation</u>	<u>\$3,500,000</u>
11			
12			
13	<u>S00A24.01</u>	<u>Neighborhood Revitalization</u>	<u>\$5,000,000</u>
14	<u>T00F00.23</u>	<u>Maryland Economic Development Assistance Authority and Fund</u>	<u>\$3,000,000</u>
15			
16	<u>T00G00.03</u>	<u>Maryland Tourism Development Board</u>	<u>\$1,000,000</u>
17			
18	<u>P00H01.01</u> <u>E00A04.01</u>	<u>Office of Unemployment Revenue Administration Division Insurance</u> <u>Office of Unemployment Insurance</u>	<u>\$40,000,000</u>
19			
20	<u>P00H01.01</u>	<u>Office of Unemployment Insurance</u>	<u>\$3,000,000</u>
21	<u>P00H01.01</u>	<u>Office of Unemployment Insurance</u>	<u>\$1,000,000</u>
22	<u>J00H01.02</u>	<u>Bus Operations</u>	<u>\$30,000,000</u>
23	<u>J00B01.02</u>	<u>State System Maintenance</u>	<u>\$25,000,000</u>
24	<u>T00F00.23</u>	<u>Maryland Economic Development Assistance Authority and Fund</u>	<u>\$8,000,000</u>
25			
26	<u>M00L01.02</u>	<u>Community Services</u>	<u>\$20,000,000</u>
27	<u>M00R01.03</u>	<u>Maryland Community Health Resource Commission</u>	<u>\$14,000,000</u>
28			
29	<u>M00F06.01</u>	<u>Office of Preparedness and Response</u>	<u>\$10,000,000</u>
30	<u>M00F06.01</u>	<u>Office of Preparedness and Response</u>	<u>\$1,000,000</u>
31	<u>S00A25.05</u>	<u>Rental Services</u>	<u>\$25,000,000</u>
32	<u>C00A00.06</u>	<u>Administrative Office of the Courts</u>	<u>\$3,000,000</u>
33	<u>R62I00.05 and R95C00</u>	<u>Aid to Community Colleges and Baltimore City Community College</u>	<u>\$15,000,000</u>
34			
35	<u>R00A01.15</u>	<u>Juvenile Services Education Program</u>	<u>\$1,000,000</u>

36 (4) (i) Notwithstanding any other provision of law and subject to
37 subparagraph (ii) of this paragraph, for purposes of the amount authorized under
38 paragraph (3) of this subsection for the Temporary Disability Assistance Program
39 (N00G00.08), for the remainder of fiscal year 2021, the maximum monthly allowable
40 assistance under the Program shall be increased by \$100 each month for the remainder of
41 fiscal year 2021.

42 (ii) 1. Except as the result of a final determination of a
43 Supplemental Security Income claim, the recipient of payments under the Program may
44 not be removed from the Program before July 1, 2021.

1 2. A recipient of payments who was denied payments on or
2 after July 1, 2020, shall be reenrolled in the Program until July 1, 2021, unless the denial
3 of Program payments was the result of a final determination of a Supplemental Security
4 Income claim.

5 (5) For purposes of the amount authorized under paragraph (3) of this
6 subsection for the Maryland Emergency Management Agency (D50H01.06), the Agency
7 shall distribute the amount authorized as grants to volunteer fire departments and rescue
8 squads.

9 (6) For purposes of the amount authorized under paragraph (3) of this
10 subsection for the Office of Grants Management (N00I00.07), the Office shall distribute the
11 amount authorized to the Maryland Food Bank and Capital Area Foodbank.

12 (7) For purposes of the amount authorized under paragraph (3) of this
13 subsection for the Office of Home Energy Programs (N00I00.06), the Office shall distribute
14 the amount authorized as grants to assist households with utility arrearages.

15 (8) For purposes of the \$5,000,000 authorized under paragraph (3) of this
16 subsection for the Maryland Community Health Resource Commission (M00R01.03), the
17 Commission shall provide grants to community providers of services under Title 7 of the
18 Health – General Article to support pandemic-related reopening, transformation, and
19 revenue loss.

20 (9) For purposes of the \$30,000,000 authorized under paragraph (3) of this
21 subsection for Neighborhood Revitalization (S00A24.01), the Department of Housing and
22 Community Development shall distribute the money to local governments to provide grants
23 to nonprofits that can demonstrate need with priority given to organizations that have not
24 received assistance through the Neighborhood Revitalization Program.

25 (10) (i) Subject to subparagraph (ii) of this paragraph, for purposes of
26 the amount authorized under paragraph (3) of this subsection for the Maryland State Arts
27 Council (T00G00.05), the Council shall provide emergency art grants to artists, art
28 districts, and art organizations.

29 (ii) The Council shall prioritize grants to organizations that have not
30 received prior funding from the Council or do not qualify for funding under other Council
31 programs.

32 (11) (i) Subject to subparagraph (ii) of this paragraph, for purposes of
33 the \$40,000,000 authorized under paragraph (3) of this subsection for the Maryland
34 Economic Development Assistance Authority and Fund (T00F00.23), the Authority shall
35 provide up to \$12,000 grants to businesses that:

36 1. do not engage in a business activity that requires the
37 business to collect sales and use tax; and

1 2. can demonstrate a need for assistance.

2 (ii) 1. At least 15% of the amount distributed under
3 subparagraph (i) of this paragraph shall be distributed to disadvantaged businesses.

4 2. The Authority shall prioritize providing grants to
5 businesses that have not received prior funding from the Authority.

6 (12) (i) Subject to subparagraph (ii) of this paragraph, for purposes of
7 the \$26,000,000 authorized under paragraph (3) of this subsection for the Maryland
8 Economic Development Assistance Authority and Fund (T00F00.23), the Authority shall
9 provide funding to local governments to provide up to \$12,000 grants to businesses that:

10 1. are primarily engaged in activities that, in accordance
11 with the North American Industrial Classification System, would be included in Code
12 722320 (Caterers), Code 7224 (Drinking Places (Alcoholic Beverages)), or Code 7225
13 (Restaurants and Other Eating Places); and

14 2. can demonstrate a need for assistance.

15 (ii) 1. At least 15% of the amount distributed under
16 subparagraph (i) of this paragraph shall be distributed to disadvantaged businesses.

17 2. The Authority shall prioritize providing grants to
18 businesses that have not received prior funding from the Authority.

19 (13) (i) Subject to subparagraph (ii) of this paragraph, for purposes of
20 the \$10,000,000 authorized under paragraph (3) of this subsection for the Maryland
21 Economic Development Assistance Authority and Fund (T00F00.23), the Authority shall
22 provide funding to local governments to provide up to \$25,000 grants to businesses that:

23 1. are primarily engaged in activities that, in accordance
24 with the North American Industrial Classification System, would be included in Code
25 721110 (Hotels (except Casino Hotels) and Motels) or Code 721191 (Bed-and-Breakfast
26 Inns); and

27 2. can demonstrate a need for assistance.

28 (ii) The Authority shall prioritize providing grants to businesses that
29 have not received prior funding from the Authority.

30 (14) (i) ~~For~~ Subject to subparagraph (ii) of this paragraph, for purposes
31 of the \$10,000,000 authorized under paragraph (3) of this subsection for Neighborhood
32 Revitalization (S00A24.01), the Department of Housing and Community Development shall
33 provide grants to ~~the 12 largest~~ entertainment venues ~~in the State.~~ or promoters of live
34 performances.

1 (ii) The Department shall prioritize providing grants to
2 entertainment venues or promoters:

3 1. that closed or cancelled live performances due to capacity
4 limitations in response to the pandemic; and

5 2. for which any previously received State or federal
6 stimulus funds due to the size of the venue were not sufficient to cover the fixed-costs of
7 the entertainment venue or promoter.

8 (15) For purposes of the amount authorized under paragraph (3) of this
9 subsection for the Maryland Small, Minority, and Women-Owned Businesses Account
10 (T00F00.15), the amount shall be used as provided under § 5-1501 of the Economic
11 Development Article.

12 (16) (i) Subject to subparagraph (ii) of this paragraph, for purposes of
13 the amount authorized under paragraph (3) of this subsection for Workforce Development
14 (P00G01.07), the Maryland Department of Labor shall distribute funds directly to local
15 workforce development boards according to the same formula used to distribute fiscal year
16 2021 Federal Workforce Innovation and Opportunity Act adult funds to local workforce
17 areas.

18 (ii) The local workforce development boards shall utilize the funds to
19 engage, upskill, and connect residents to employment, including providing subsidized
20 employment opportunities for the unemployed, youth (ages 16-24), adults, ex-offenders,
21 and other populations who are in need of reemployment assistance.

22 (17) (i) For purposes of the amount authorized under paragraph (3) of
23 this subsection for Technology Development, Transfer, and Commercialization
24 (T50T01.01), the Maryland Technology Development Corporation, ~~in consultation with the~~
25 ~~Maryland Agriculture and Resource-Based Industry Development Corporation,~~ shall
26 provide grants to Maryland's rural and agricultural businesses.

27 (ii) For purposes of the amount authorized under paragraph (3) of
28 this subsection for the Office of the Secretary (S00A20.01), the Secretary shall provide
29 grants for rural broadband programs.

30 (iii) For purposes of the amount authorized under paragraph (3) of
31 this subsection for the Maryland Agricultural and Resource-Based Industry Development
32 Corporation (L00A12.20), the Corporation shall provide grants to rural and agricultural
33 businesses.

34 (18) For purposes of the \$5,000,000 authorized under paragraph (3) of this
35 subsection for Neighborhood Revitalization (S00A24.01), the Department of Housing and
36 Community Development shall establish a grant program to help preserve the State's main
37 street economies.

1 (19) For purposes of the \$3,000,000 authorized under paragraph (3) of this
2 subsection for the Maryland Economic Development Assistance Authority and Fund
3 (T00F00.23), the Authority shall provide grants to businesses in distressed communities to
4 assist the businesses in setting up an online sales framework and offering employees
5 telework opportunities.

6 (20) For purposes of the amount authorized under paragraph (3) of this
7 subsection for the Maryland Tourism Development Board (T00G00.03), the Board shall use
8 the amount authorized to market Maryland small businesses for tourism.

9 ~~(21) For purposes of the \$40,000,000 authorized under paragraph (3) of this~~
10 ~~subsection for the Office of Unemployment Insurance (P00H01.01), the Maryland~~
11 ~~Department of Labor shall provide a \$1,000 grant to any individual whose unemployment~~
12 ~~benefits have been suspended, provided that the suspension is not related to an allegation~~
13 ~~of fraud.~~

14 (21) (i) For purposes of the \$40,000,000 authorized under paragraph (3)
15 of this subsection for the Revenue Administration Division (E00A04.01), the Comptroller
16 shall provide a \$1,000 grant to any individual whose claim for unemployment benefits is
17 pending a determination of eligibility and has been in adjudication for at least 30 days,
18 except for a claim where the failure to determine eligibility is related to an allegation of
19 fraud.

20 (ii) The Secretary of Labor shall send to the Comptroller:

21 1. by March 3, 2021, a list of all individuals eligible for a
22 grant under subparagraph (i) of this paragraph as of February 28, 2021;

23 2. by April 5, 2021, a list of all individuals eligible for a grant
24 under subparagraph (i) of this paragraph as of March 31, 2021;

25 3. by May 5, 2021, a list of all individuals eligible for a grant
26 under subparagraph (i) of this paragraph as of April 30, 2021;

27 4. by June 3, 2021, a list of all individuals eligible for a grant
28 under subparagraph (i) of this paragraph as of May 31, 2021;

29 5. by July 6, 2021, a list of all individuals eligible for a grant
30 under subparagraph (i) of this paragraph as of June 30, 2021; and

31 6. any information necessary to distribute the grants under
32 subparagraph (i) of this paragraph.

33 (iii) An individual may not receive more than one grant under
34 subparagraph (i) of this paragraph.

1 (22) For purposes of the \$3,000,000 authorized under paragraph (3) of this
2 subsection for the Office of Unemployment Insurance (P00H01.01), the Maryland
3 Department of Labor shall hire additional caseworkers to assist Maryland residents with
4 accessing unemployment insurance benefits.

5 (23) For purposes of the \$1,000,000 authorized under paragraph (3) of this
6 subsection for the Office of Unemployment Insurance (P00H01.01), the Maryland
7 Department of Labor shall ~~increase workshare program participation with the goal of~~
8 ~~reaching at least 5% participation~~ contract with a professional marketing and
9 communications firm to develop and implement a work sharing unemployment insurance
10 marketing campaign.

11 (24) For purposes of the \$8,000,000 authorized under paragraph (3) of this
12 subsection for the Maryland Economic Development Assistance Authority and Fund
13 (T00F00.23), the Authority shall assist private commuter and shuttle bus operators,
14 including entities that provide commuter and shuttle bus services contractually to
15 governmental entities, with losses that are a result of the COVID-19 pandemic.

16 (25) For purposes of the amount authorized under paragraph (3) of this
17 subsection for Community Services (M00L01.02), the Maryland Department of Health shall
18 provide mobile crisis and stand-alone walk-in crisis services for the treatment of
19 community mental health and substance use disorders.

20 (26) For purposes of the \$14,000,000 authorized under paragraph (3) of this
21 subsection for the Maryland Community Health Resource Commission (M00R01.03), the
22 Commission shall provide grants to:

- 23 (i) reduce health disparities;
24 (ii) improve health outcomes;
25 (iii) improve access to primary care;
26 (iv) promote primary and secondary prevention services; and
27 (v) reduce health care costs and hospital admissions and
28 readmissions.

29 (27) For purposes of the \$10,000,000 authorized under paragraph (3) of this
30 subsection for the Office of Preparedness and Response (M00F06.01), the Office shall
31 provide a grant to each county for vaccine outreach and training, provided that at least
32 \$1,500,000 shall be provided to the University of Maryland Baltimore Campus to assist
33 with mobile vaccine administration.

34 (28) For purposes of the \$1,000,000 authorized under paragraph (3) of this
35 subsection for the Office of Preparedness and Response (M00F06.01), the Office shall
36 provide outreach, recruitment, and training for individuals.

1 (29) For purposes of the amount authorized under paragraph (3) of this
 2 subsection for Rental Services (S00A25.05), the Department of Housing and Community
 3 Development shall provide grants to pay for housing debt or up to 30 days of emergency
 4 housing.

5 (30) For purposes of the amount authorized under paragraph (3) of this
 6 subsection for the Administrative Office of the Courts (C00A00.06), the Office shall provide
 7 a grant to the Maryland Legal Services Corporation to pay for legal assistance for
 8 individuals facing eviction.

9 (31) For purposes of the amount authorized under paragraph (3) of this
 10 subsection for Aid to Community Colleges (R62I00.05) and Baltimore City Community
 11 College (R95C00), the Maryland Higher Education Commission shall increase the
 12 resources of community colleges to offer services to students or members of the community
 13 who are seeking training or other assistance to improve their job skills or reenter the
 14 workplace after losing a job or being otherwise negatively impacted by the pandemic. The
 15 funds should be allocated proportional to each college's share of total State aid provided
 16 under §§ 16-305 and 16-512 of the Education Article in fiscal year 2021.

17 (32) For purposes of the amount authorized under paragraph (3) of this
 18 subsection for the Juvenile Services Education Program (R00A01.15), the State
 19 Department of Education shall enhance the educational services provided to children in the
 20 Juvenile Services System.

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

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

25 (h) Money expended from the Fund for any program or purpose is supplemental
 26 to and is not intended to take the place of funding that otherwise would be appropriated for
 27 the program or purpose.

28 (i) ~~(1)~~ On or before the second Wednesday after enactment of this Act and
 29 every 2 weeks thereafter, the Department of Budget and Management shall report to the
 30 General Assembly, in accordance with § 2-1257 of the State Government Article, on:

31 ~~(i)~~ (1) deposits into and distributions from the Fund; and

32 ~~(ii)~~ (2) for each program listed under subsection (f)(3) of this section:

33 ~~(i)~~ (i) the amount distributed to the program;

34 (ii) if available, the individuals or organizations that were
 35 served by the program;

~~3. (iii) the amount spent or encumbered for the purposes of the program and any remaining balance in the Fund; and~~

~~4. (iv) plans to allocate the remaining balance in the Fund.~~

~~(2) (i) On or before the second Wednesday after enactment of this Act and every 2 weeks thereafter, the State Department of Education shall report to the General Assembly, in accordance with § 2-1257 of the State Government Article, and to the Department of Budget and Management on:~~

~~1. distributions to each eligible school; and~~

~~2. for each item in Section 8 of this Act;~~

~~A. how the funds were used;~~

~~B. the number of students served by the funds disaggregated by income and racial demographics;~~

~~C. the amount encumbered; and~~

~~D. plans to use remaining funds.~~

~~(ii) The information provided under subparagraph (i) of this paragraph for public schools in each county may be aggregated for each county.~~

~~SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2021, the Governor may process a budget amendment to transfer from the Blueprint for Maryland's Future Fund established under § 5-219 of the Education Article to the Blueprint for Maryland's Future Grant Program (R00A02.60) the following amounts for the following purposes:~~

~~(1) \$50,000,000 to the county boards of education to provide 8 weeks of summer school or tutoring services during the summer, provided that the amounts shall be distributed proportional to the number of public school students who qualify for free or reduced-priced meals in the county as compared to the number of total public school students who qualify for free or reduced-priced meals in the State; and~~

~~(2) \$50,000,000 to county boards of education to safely move toward delivering in-person education with priority given to special education students, students without reliable broadband service, and students who have shown a need for in-person education in order to succeed, and the amounts shall be distributed proportional to the number of public school students enrolled in the county as compared to the number of total public school students enrolled in the State.~~

SECTION 8. AND BE IT FURTHER ENACTED, That:

1 (a) (1) In this section the following words have the meanings indicated.

2 (2) “Eligible schools” includes:

3 (i) public schools in each county;

4 (ii) the Maryland School for the Deaf;

5 (iii) the Maryland School for the Blind;

6 (iv) the SEED School of Maryland; and

7 (v) nonpublic placement schools.

8 (3) “Students” includes students enrolled in:

9 (i) public schools in each county;

10 (ii) the Maryland School for the Deaf;

11 (iii) the Maryland School for the Blind;

12 (iv) the SEED School of Maryland; and

13 (v) nonpublic placement schools.

14 (b) Notwithstanding any other provision of law, on or before June 30, 2021, the
15 Governor may process a budget amendment to transfer from The Blueprint for Maryland’s
16 Future Fund established under § 5–219 of the Education Article to The Blueprint for
17 Maryland’s Future Grant Program (R00A02.60) the following amounts for the following
18 purposes:

19 (1) \$50,000,000 to the State Department of Education to distribute to the
20 eligible schools to provide 8 weeks of summer school or tutoring services during the summer
21 for at least 25,000 students, provided that the amounts shall be distributed proportional to
22 the number of students who qualify for free or reduced price meals in the eligible school as
23 compared to the number of total students who qualify for free or reduced price meals in the
24 State, and provided that the funds allocated to public schools shall be distributed by the
25 Department to the county boards of education; and

26 (2) \$50,000,000 to the State Department of Education to distribute to the
27 eligible schools to safely move toward delivering in–person education with priority given to
28 special education students, students without reliable broadband service, and students who
29 have shown a need for in–person education in order to succeed, provided that the amounts
30 shall be distributed proportional to the number of students enrolled in the eligible school
31 as compared to the number of total students enrolled in the State, and provided that the

1 funds allocated to public schools shall be distributed by the Department to the county
2 boards of education.

3 (c) (1) On or before the second Wednesday after enactment of this Act and
4 every 2 weeks thereafter, the State Department of Education shall report to the General
5 Assembly, in accordance with § 2–1257 of the State Government Article, and to the
6 Department of Budget and Management on:

7 (i) distributions to each eligible school; and

8 (ii) for each item in subsection (b) of this section:

9 1. how the funds were used;

10 2. the number of students served by the funds disaggregated
11 by income and racial demographics;

12 3. the amount encumbered; and

13 4. plans to use remaining funds.

14 (2) The information provided under paragraph (1) of this subsection for
15 public schools in each county may be aggregated for each county.

16 SECTION 9. AND BE IT FURTHER ENACTED, That it is the intent of the General
17 Assembly that:

18 (1) to the extent practicable, funds authorized under Sections 7 and 8 of
19 this Act be distributed ~~equally~~ proportionally by population across the State; ~~and~~

20 (2) grants that are required to go to disadvantaged businesses under
21 subparagraph (f)(11)(ii)1 and (12)(ii)1 of Section 7 of this Act be distributed to businesses
22 that qualify for investment capital and loans under § 5–1501 of the Economic Development
23 Article; and

24
25 (3) if federal funds become available for any purpose authorized under
26 Section 7 or 8 of this Act, the federal funds shall be used to supplant and may not
27 supplement the funds otherwise authorized under Section 7 or 8 of this Act.

28 SECTION 10. AND BE IT FURTHER ENACTED, That:

29 (a) The Comptroller shall perform a cash flow analysis of the Local Reserve
30 Account established to comply with § 2–606 of the Tax – General Article, beginning with
31 the April 30, 2021, distribution through the September 30, 2022, distribution to determine
32 how much of the balance is needed to make income tax distributions to the local
33 jurisdictions during this period and how much can be used to support COVID–19–related
34 expenses.

1 (b) On or before April 1, 2021, the Comptroller shall report to the Senate Budget
2 and Taxation Committee and the House Appropriations Committee, in accordance with §
3 2-1257 of the State Government Article, and the Maryland Association of Counties on the
4 results of the cash flow analysis required under subsection (a) of this section.

5 SECTION ~~6~~ 11. AND BE IT FURTHER ENACTED, That, at the end of June 30,
6 2025, Section 2 of this Act, with no further action required by the General Assembly, shall
7 be abrogated and of no further force and effect.

8 SECTION ~~7~~ 12. AND BE IT FURTHER ENACTED, That this Act is an emergency
9 measure, is necessary for the immediate preservation of the public health or safety, has
10 been passed by a ye and nay vote supported by three-fifths of all the members elected to
11 each of the two Houses of the General Assembly, and shall take effect from the date it is
12 enacted.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.