

2. 25 percent of the total investment in the enterprise acquiring an existing business; or

(iii) **[\$500,000]** \$1,000,000 for a technology-based business OR OTHER BUSINESS.

(3) (i) The Authority shall find that there is a reasonable probability that the Authority will recover its initial investment and an adequate return on investment.

(ii) The Authority's investment shall be recoverable within:

1. 7 years of the equity participation financing in a franchise;
2. 7 years of the equity participation financing in an enterprise acquiring an existing business; **[or]**

3. 10 years of the equity participation financing in a technology-based business; OR

4. 7 YEARS OF THE EQUITY PARTICIPATION FINANCING IN ANY OTHER TYPE OF BUSINESS.

(4) The Authority's recovery shall be the greater of the current value of the percentage of the equity investment in the enterprise or the amount of the initial investment in the enterprise.

(5) The value of the business entity at the time of recovery shall be determined after obtaining at least 1 independent appraisal of the value from an appraiser selected from a list of at least 3 appraisers supplied by the Authority.

PART IX. MISCELLANEOUS RECEIPTS PAYABLE.

5-1049.

(A) NOTWITHSTANDING § 5-502(B) OF THIS TITLE OR ANY OTHER LAW, THE FOLLOWING MONEY SHALL BE PAYABLE INTO THE FUNDS UNDER THIS SUBTITLE:

(1) ANY RECOVERY OF INVESTMENTS MADE UNDER § 5-503 OF THIS TITLE THAT WERE FUNDED BY A TRANSFER OF MONEY FROM THE FUNDS UNDER THIS SUBTITLE TO THE ENTERPRISE FUND, INCLUDING AN INVESTMENT IN MMG VENTURES LLP; AND

(2) ANY REPAYMENT OF A GRANT MADE UNDER § 5-503 OF THIS TITLE THAT WAS FUNDED BY A TRANSFER OF MONEY FROM THE FUNDS UNDER THIS SUBTITLE TO THE ENTERPRISE FUND.

(B) THE AUTHORITY SHALL DETERMINE THE PROPORTION OF THE RECOVERY OR REPAYMENT PAYABLE UNDER SUBSECTION (A) OF THIS SECTION THAT SHALL BE DEPOSITED INTO EACH OF THE FUNDS UNDER THIS SUBTITLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2005.