**DEPARTMENT OF BUSINESS & ECONOMIC DEVELOPMENT (DBED)**

**12.607 OFFICE OF ECNOMIC ADJUSTMENT – COMMUNITY ECONOMIC ADJUSTMENT PLANNING ASSISTANCE**

**Program Description:**Provides funding in preparation of the implementation of the BRAC 2005 decisions, the Department of Defense (DoD) Office of Economic Adjustment (OEA) granted federal funds to Maryland to aide in their BRAC growth planning (State to receive an influx of up to 40,000 new positions to be created due to BRAC 2005).  To date, Maryland has received over $5.6 million in OEA grants which has included reimbursable expenses related to salaries and infrastructure planning studies.  Funds received supported 5.6FTE’s which include the 3 personnel staffing the Governor’s BRAC Subcabinet and a MDOT BRAC Transportation Coordinator.  The federal grant also requires a 10% match of which Maryland DBED through salaries has provided a total of $830,000 in matching funds.  DBED serves as the grant administrator allowing the Department to receive reimbursement for indirect administrative costs which are included in the figures below.  As BRAC 2005 decisions were fully implemented by DoD in September 2011, OEA has confirmed the upcoming FY’13 grant to be the last and expects forthcoming grant applications to reflect a reduction in personnel funding requests.  DBED will issue a draft FY’13 grant application including no more than 4 personnel funding requests.  Receipt of these federal funds has allowed Maryland to better prepare for the up to 40,000 job growth supporting the Governor’s number one strategic policy goal to “Create, Save, or Place Residents into 250,000 Maryland Jobs by End of 2012.”

**FY11 (exp) FY12 (approp) FY13(est)
$ 1,136,617 $ 850,067 $ 623,974**

**Governor’s Goal #1**  [**Create, Save or Place Residents into 250,000 Jobs Maryland by End 2012**](http://www.governor.maryland.gov/statestat/gdujobs.asp)

**21.000 U.S. TREASURY STATE SMALL BUSINESS CREDIT INITIATIVE**

**Program Description:** The Small Business Jobs Act of 2010 (the “Act”) was created to help increase credit availability for small businesses. The Act created the State Small Business Credit Initiative (SSBCI) and appropriated $1.5 billion to be used by the U.S. Department of the Treasury (“Treasury”). These funds granted by the Treasury are to provide direct support to states for use in programs designed to increase access to credit for small business. Within the Act, Maryland is allocated a total of $23 million available in three installments subject to performance.The funding reflected below represent a portion of the first installment of over $7.6 million. Not included in the numbers below is $3.5 million that is not appropriated but rather is a cash balance in the accounts of the Maryland Industrial Development Financing Authority (MIDFA) and serves as cash reserves supporting loan guarantees for small businesses.

**T00F0014**

**FY11 (exp) FY12 (approp) FY13(est)**

**$ 0 $ 495,000\*transfer to DHCD $ 0**

**T00F0009**

**FY11 (exp) FY12 (approp) FY13(est)**

**$ 0 $ 1,485,000 $ 0**

**T00F0017**

**FY11 (exp) FY12 (approp) FY13(est)**

**$ 0 $ 2,145,000 $ 0**

**PROGRAM SUPPORTED/POPULATION SERVED**: SSBCI funds have been approved to support four State programs: (1) the Maryland Industrial Development Financing Authority (MIDFA) Loan Guaranty, (2) The Maryland Venture Fund, (3) the Maryland Small Business Development Financing Authority (MSBDFA) Loan Guarantee and (4) the Maryland Department of Housing and Community Development- Neighborhood Business Works (DHCD-NBW). These funds must target an average borrower-size of 500 employees or less and loans averaging $5 million. A critical performance measure is the ability to leverage ten dollars of private sector lending for each dollar of federal funds. Accordingly, Maryland will have to cause $230 million of bank lending to small businesses over the seven-year lifespan of the program. Upon successful completion, the state retains the federal funds for continued lending support.

DBED has received the first installment of funds – $7.6 million. Over the life of the program, the total of $23 million has been deployed in four programs as follows:

To date, 14 SSBCI transactions have been approved utilizing $2,283,500 of SSBCI funds leveraging $33,985,000 in private sector loans & investments impacting 669 jobs:

- Four MIDFA loans totaling $6,650,000 guaranteed for $3,000,000 utilizing $600,000 of SSBCI funds and impacting 217 jobs

- Five Enterprise Investments utilizing $1,600,000 of SSBCI funds to leverage $26,500,000 in private sector investments and impacting 379 jobs.

- Five MSBDFA loans totaling 835,000 guaranteed for $417,500 utilizing $83,500 of SSBCI funds and impacting 73 jobs

**Governor’s Goal #1**[**Create, Save or Place Residents into 250,000 Jobs Maryland by End 2012**](http://www.governor.maryland.gov/statestat/GDUjobs.asp)

**23.002 APPALACHIAN STATE RESEARCH – APPALACHIAN AREA DEVELOPMENT**

**Program Description:** Provides funding to facilitate access to state and federal export promotion services by selected small and medium-sized businesses (SME) from Appalachian Maryland. Also, the ARC funds will be used to reduce or eliminate Maryland trade delegation fees for small businesses, and/or augment exhibition space or staffing to support an increased number of Appalachian Maryland SME participants. The total funding is $100,000 over 3years.

**FY11 (exp) FY12 (approp) FY13(est)**

**$ 0 $ 35,000 $ 35,000**

**Governor’s Goal #[1 Create, Save or Place Residents into 250,000 Jobs Maryland by End 2012](http://www.governor.maryland.gov/statestat/GDUjobs.asp)**

**45.025 NATIONAL ENDOWMENT FOR THE ARTS - PROMOTION OF THE ARTS – PARTNERSHIP AGREEMENT – UNDERSERVED**

**Program Description:** Supports three components: 1) the basic state arts plan; 2) elements of the state plan addressing arts education; and 3) elements of the state plan fostering arts in underserved communities. The Maryland State Arts Council supports the performing, visual, and literary arts.The Council provides unrestricted operating support to more than 240 arts organizations and programs annually in recognition of its importance to the vitality and sustainability of the state’s arts organizations. Each year more than seven million people attend arts events in Maryland. In addition, the Council also supports arts in education programs that serve more than 190,000 students in 500 Maryland schools. Other Council programs support individual artists, community arts development, folk and traditional arts, Arts & Entertainment districts and public art.

**FY11 (exp) FY12 (approp) FY13(est)**

**$ 847,543 $ 917,822 $ 905,308**

**Governor’s Goal #**[**1 Create, Save or Place Residents into 250,000 Jobs Maryland by End 2012**](http://www.governor.maryland.gov/statestat/GDUjobs.asp)

**59.061 STATE TRADE AND EXPORT PROMOTION PILOT GRANT PROGRAM – EXPORT MD**

**Program Description:** Provides funding for small and medium sized Maryland companies to capitalize on opportunities in the global market and to help offset the cost of acquiring overseas business services such as exhibiting at international trade shows and accessing the U.S. Commercial Service Gold Key program.

**FY11 (exp) FY12 (approp) FY13(est)
$ 0 $ 584,897 $ 583,120**

**Governor’s Goal #1**[**Create, Save or Place Residents into 250,000 Jobs Maryland by End 2012**](http://www.governor.maryland.gov/statestat/GDUjobs.asp)

-end DBED report-