

CHAPTER 705

(House Bill 1194)

AN ACT concerning

Maryland Small Business Development Financing Authority -
Equity Participation Investment Program

FOR the purpose of redefining those moneys which may comprise the Equity Participation Investment Program Fund; authorizing the Maryland Small Business Development Financing Authority to use the Fund for certain administrative, legal, and actuarial services; ~~removing~~ altering the dollar limitation on withdrawals from the Small Business Development Guaranty Fund; making certain technical changes; and generally relating to the Equity Participation Investment Program.

BY repealing and reenacting, with amendments,

Article - Financial Institutions
Section 13-235(b), 13-240(b)(5), 13-241(b), (d), and (e)
Annotated Code of Maryland
(1980 Volume and 1986 Supplement)

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

Article - Financial Institutions

13-235.

(b) "Enterprise" means a business entity, including a sole proprietorship, a partnership, a limited partnership, a corporation, or a joint venture ~~CARRYING-ON-OR~~ proposing to carry on a business within the State and [meets] MEETING the requirements of § 13-231 of this subtitle.

13-240.

(b) Under the Program, any equity participation financing shall satisfy the following requirements:

(5) The Authority's recovery shall be the greater of the current value of the percentage of the equity investment in the [business entity] ENTERPRISE or the amount of the initial investment in the [business entity] ENTERPRISE.

13-241.

(b) The Fund consists of [money drawn from the Small Business Development Guaranty Fund, money appropriated by the