

(iv) The level of financial commitment provided by the local government; and

(v) Any other factors that the Department or the Authority considers relevant.

(b) (1) [To] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, To qualify for a grant, a local government shall provide at least an equal and matching grant of funds to the local economic development fund.

(2) A LOCAL GOVERNMENT THAT IS, OR IS LOCATED IN, A QUALIFIED DISTRESSED COUNTY, AS DEFINED IN § 5-701 OF THIS TITLE, MAY QUALIFY FOR A GRANT UNDER THIS SECTION BY PROVIDING A GRANT TO THE LOCAL ECONOMIC DEVELOPMENT FUND IN AN AMOUNT EQUAL TO AT LEAST 50% OF THE GRANT MADE UNDER THIS SECTION.

(c) (1) During a fiscal year:

(i) The Department may not grant more than \$2,000,000 under this section; and

(ii) Subject to paragraph (3) of this subsection, a county may not receive more than \$250,000 under this section.

(2) Subject to paragraph (3) of this subsection, during the period from October 1, 1998 through June 30, 2003, a county may not receive a total of more than \$500,000 under this section or under the former Maryland Industrial Land Act provisions governing grants to local economic development funds.

(3) For purposes of the limitations under paragraphs (1)(ii) and (2) of this subsection:

(i) Any funds received under this section by a municipal corporation or a designated agency or instrumentality shall be deemed to be funds granted to the county within which the municipal corporation, agency, or instrumentality is located; and

(ii) If more than one county administers or capitalizes a local economic development fund, each county may receive the maximum permitted for a county.

(d) (1) A local government shall utilize a grant of funds under this section for the purpose of providing loans or loan guarantees, or subsidizing the interest rate on loans, for financing economic development projects or loans to small businesses.

(2) At the discretion of the Department, funds granted under this section may revert to the Department if the local economic development fund is inactive for more than 2 years after the date on which a grant of funds under this section is made.

(e) The Department shall report to the Governor and, subject to § 2-1246 of the State Government Article, to the General Assembly before January 1 of each year on the number, amount, use, and economic benefits of grants awarded under this section.