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

Article 83A – Department of Economic and Employment Development

~~5-406.1.~~

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

~~(2) "Incubator" means any building of flexible design, owned or controlled by a political subdivision, for eventual lease to multiple new businesses which share support services and facilities.~~

~~(3) "New businesses" are businesses which have been in existence for no longer than 3 years.~~

~~(4) "Project costs" may include planning and engineering studies, design and engineering services, and building acquisition and building rehabilitation.~~

~~(5) "State financed research" means research financed in part with the assistance of the State.~~

~~(b) Any political subdivision may apply to the Secretary for a loan to finance project costs of rehabilitation of existing buildings for incubators.~~

~~(c) The application shall describe the project in such manner and detail as the Secretary may, by regulation, determine and shall include the information set forth in § 5-404(a) of this subtitle as it relates to the incubator project, and a complete breakdown of the anticipated costs of the project.~~

~~(d) In determining whether or not to approve a loan and the amount of the loan, the Secretary shall consider those factors set forth in § 5-404(b) of this subtitle as they relate to the incubator project.~~

~~(e) After the investigation the Secretary considers necessary, the Secretary may approve a loan of all or any part of the project costs, not to exceed $1,500,000 for any 1 incubator, except that in the case of an incubator for which the political subdivision has an executed lease agreement acceptable to the Secretary with at least 1 new business which will be conducting State financed research as a tenant of the incubator, the loan amount under this subsection shall not exceed $2,500,000.~~

~~(f) On approval of the loan, the Secretary shall enter into a loan agreement with the borrowing political subdivision providing for:~~

~~(1) Payment of interest only, at a rate determined by the Secretary in accordance with § 5-404(c)(2)(iii) of this subtitle, beginning on the date of the loan and continuing for a period not to exceed 2 years after that date;~~

~~(2) Payments of principal and interest, in accordance with an amortization schedule approved by the Secretary, for a period not to exceed 25 years from the end of the interest-only payment period;~~