

(d) "Existing business" means a business whose board of directors or owners approve the sale of the business to an enterprise receiving equity participation financing.

(e) "Franchise" means a contract or agreement and has the meaning used in Article 56, § 345 of the Annotated Code. "Franchise" includes only those franchise offerings that are registered or exempt under the Maryland Franchise Investment Law, Article 56, §§ 345 through 365D, of the Annotated Code.

(f) "Program" means the Equity Participation Investment Program in the Maryland Small Business Development Financing Authority.

(g) "Qualified security" means:

- (1) Any note, bond, debenture, or other evidence of indebtedness;
- (2) Any stock or other form of equity participation;
- (3) Any certificate of interest or participation in a profit sharing agreement;
- (4) Any investment contract;
- (5) Any certificate of deposit for a security;
- (6) Any certificate of interest or participation in a patent or patent application or in royalty or other payments under a patent or patent application; or
- (7) Any interest or instrument commonly known as a "security" or any certificate for, receipt for, guarantee of, or option, warrant, or right to subscribe to or purchase any qualified security.

(H) "TECHNOLOGY-BASED BUSINESS" MEANS A COMMERCIAL OR INDUSTRIAL ENTERPRISE ENGAGED IN THE APPLICATION OF SCIENTIFIC KNOWLEDGE TO PRACTICAL PURPOSES IN A PARTICULAR FIELD FOR A PROFIT.

13-236.

The General Assembly finds that:

- (1) Franchises AND TECHNOLOGY-BASED BUSINESSES have proven to be a fast growing and reliable form of successful business expansion and successful new business creation;
- (2) Franchises AND TECHNOLOGY-BASED BUSINESSES play a major role in the economy of the State of Maryland and have been a continuing source of increasing tax revenues and job opportunities;
- (3) The growth of franchises AND TECHNOLOGY-BASED BUSINESSES should be encouraged in the State's economy and [franchising] should be an integral part of the State's economic development effort;