

**Article 83A - Department of Business and Economic Development**

**Subtitle 5. [Defense Adjustment Loan] MARYLAND ECONOMIC ADJUSTMENT Fund.**

6-501.

(a) In this subtitle the following words have the meanings indicated.

(b) "Committee" means the [Defense] MARYLAND ECONOMIC Adjustment Financing Committee.

(c) "Defense contractors" means companies that have over the 5 years before their application for a [defense adjustment] loan derived a substantial amount of their revenues from defense contracts.

(d) "Fund" means the [Defense Adjustment Loan] MARYLAND ECONOMIC ADJUSTMENT Fund.

(e) (1) "Working capital" means funds to be used for current operations of a business.

(2) "Working capital" includes funds for supplies, materials, labor, equipment, rent, software, marketing, insurance, and fees for professional services.

6-502.

There is a [Defense Adjustment Loan] MARYLAND ECONOMIC ADJUSTMENT Fund administered by the Department.

6-503.

(a) (1) The [Defense Adjustment Loan] MARYLAND ECONOMIC ADJUSTMENT Fund shall be used as a nonlapsing revolving fund to make loans to new or existing companies in communities suffering dislocation due to defense adjustments to enable the companies to modernize their manufacturing operations, develop commercial applications for technology, or enter into and compete in new economic markets.

(2) THE FUND MAY BE USED TO GRANT MONEYS TO A LOCAL OR REGIONAL MARYLAND GOVERNMENTAL OR NONPROFIT REVOLVING LOAN FUND.

(b) No part of this subtitle may be construed to obligate or require funding from the general funds of the State, regardless of the availability of other funding sources for the purposes of the Fund.

(c) The Secretary may delegate the underwriting, closing, monitoring, and workout functions for loans funded by the [Defense Adjustment Loan] Fund to any division within the Department or may contract with another entity to perform these functions for the [Defense Adjustment Loan] Fund.