

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

2024 Legislative Session

Bill No. CB- 001-2024

Chapter No. _____

Proposed and Presented by Council Member Oriadha

Introduced by _____

Co-Sponsors _____

Date of Introduction _____

BILL

AN ACT concerning

Minority Business Start Up Funds

For the purpose of adding businesses that are located within the beltway to the Prince George's County Business Expansion and Start-Up Grant Program; adding businesses that are located within the beltway to the Prince George's County Business Expansion and Start-Up Loan program; creating a set aside of twenty-percent (20%) for qualifying businesses within the beltway; defining a County goal of servicing at least fifty-percent (50%) of qualifying businesses that are located within the beltway (the area in the County between the border with the District of Columbia and the Capital Beltway) or within one-quarter mile of a transit station, or within one of the primary or secondary growth sectors outlined in the Approved Economic Development Strategic Action Plan for Prince George's County within the next five (5) years, and other related provisions.

BY repealing and reenacting with amendments:

SUBTITLE 10. FINANCE AND TAXATION.

DIVISION 29. PRINCE GEORGE'S COUNTY SMALL
BUSINESS CAPITAL AND GROWTH
STIMULUS PROGRAM

Section 10-336.

The Prince George's County Code
(2023 Edition).

WHEREAS, the Prince George's County Office of Central Services contracted with MGT

Consulting Group to conduct a Prince George's County Utilization and Availability Study ("County Disparity Study"), released in December of 2019, which assessed racial and ethnic disparities between availability and outcomes in public and private sector opportunities in Prince George's County from 2010 to 2018; and

WHEREAS, Recommendation (H) of the County Disparity Study encourages the County to partner with third parties to improve the capacity of small, minority, and women owned firms.

SECTION 1. BE IT ENACTED by the County Council of Prince George's County, Maryland, that Section 10-366 of the Prince George's County Code be and the same is hereby repealed and reenacted with the following amendments:

SUBTITLE 10. FINANCE AND TAXATION.

**DIVISION 29. PRINCE GEORGE'S COUNTY SMALL
BUSINESS CAPITAL AND GROWTH
STIMULUS PROGRAM**

Sec. 10-366. Prince George's County Small Business Capital and Growth Stimulus Program.

There is a Prince George's County Small Business Capital and Growth Stimulus Program consisting of the Prince George's County Small Business Capital and Growth Stimulus Fund and the programs set forth under this Section. All funding set forth under this Section is limited to monies appropriated in the County Budget. Total assistance from the Prince George's County Small Business Capital and Growth Stimulus Fund in any fiscal year for a business shall not exceed \$250,000 and any award is a non-renewable award.

(a) Definitions.

(1) Locally-Owned and Operated Business, in this Division, shall have the same meaning as defined in Section 10A-101(a)(24.1) of this Code.

(2) Local Start-Up Business in this Subtitle means a business based in Prince George's County and in operation for 36 months or less.

(b) [(a)]Prince George's County Business Expansion and Start-Up Grant Program.

(1) The Prince George's County Business Expansion and Start-Up Grant Program is hereby established as a program in which the County shall annually award grants to Locally Owned and Operated Businesses for the purposes of the following

activities occurring in Prince George's County:

- (A) Business expansion, business capacity-building, and business retention,
- (B) Job creation and job retention, and
- (C) Business start-ups and early-stage business growth.

- (2) [At least 30% of the annual awards from the Prince George's County Business Expansion and Start-Up Grant Program shall be reserved for Local Start-Up Businesses.]

Allocation of the annual awards.

- (A) Awards from the Prince George's County Business Expansion and Start-Up Grant Program shall be distributed annually as follows:

- i. 30% reserved for Local Start-Up Businesses; and
- ii. 20% for businesses that are located within the beltway as described in subsection (4)(A) below; and
- iii. 50% for all other applications subject to subsection (4).

- (B) Should a business qualify for an award under multiple categories among i-iii above, then the award allocated shall only be counted under one (1) category for purposes of calculating distribution percentages of annual award allocation.

- (3) The maximum annual grant award from this program shall be \$250,000;

- (4) Priority Industry Sectors. The County Council, by resolution, with the concurrence of the County Executive, may establish priority industry sectors for awards from this grant program, including the proportion of the annual awards that shall be reserved for such priority industry sectors. At a minimum, the priority sectors will include businesses:

- (A) located within the beltway (the area in the County between the border with the District of Columbia and the Capital Beltway); or
- (B) within one-quarter mile of a transit station; or
- (C) within one of the primary or secondary growth sectors outlined in the Approved Economic Development Strategic Action Plan for Prince George's County.

- (5) Any recipient of an award under this Subsection shall:

(A) be a registered business in good standing with the State of Maryland and County at the time of award; and

(B) Remain a County-based business for at least the next sixty (60) months of the business's existence after receipt of the award, as a written condition of acceptance of the award.

(6) Annual Report.

(A) The County Council and County Executive may request an annual report to
be provided with analysis on the Prince George's County Business Expansion and Start-Up Grant Program to include at a minimum the
following information categorized by
race and gender of each applicant:

- i. The name of applicant; and
- ii. Names of applicants awarded grants; and
- iii. Names of those applicants denied grants; and
- iv. Amount of fund awarded per grant.

(B) If requested, then the report shall be submitted within 90 days.

[Definitions.

(A) Locally-Owned and Operated Business, in this Subtitle, means a County-based business that is also a County resident-owned business as defined in Subtitle 10A of the Code.

(B) Local Start-Up Business in this Subtitle means a business based in Prince George's County and in operation for 36 months or less.]

(c) [(b)]Prince George's County Business Expansion and Start-Up Loan Program.

(1) The Prince George's County Business Expansion and Start-Up Loan Program is hereby established as a program in which the County shall annually award no-interest loans to Locally-Owned and Operated Businesses for the purposes of the following activities occurring in Prince George's County:

- (A) Business expansion, business capacity-building, and business retention;
- (B) Job creation and job retention; and
- (C) Business start-ups and early-stage business growth.

- (2) [At least 30% of the annual awards from the Prince George's County Business Expansion and Start-Up Loan Program shall be reserved for Local Start-Up Businesses.]

Allocation of the annual awards.

- (A) Awards from the Prince George's County Business Expansion and Start-Up Loan Program shall be distributed annually as follows:
- i. 30% reserved for Local Start-Up Businesses; and
 - ii. 20% for business that are located within the beltway as described in subsection (6)(A) below; and
 - iii. 50% for all other applications subject to subsection (6).
- (B) Should a business qualify for an award under multiple categories among i-iii above, then the award allocated shall only be counted under one (1) category for purposes of calculating distribution percentages of annual award allocation.
- (3) The maximum annual loan award from this program shall be \$250,000.
- (4) Loan repayment shall include zero percent (0%) interest and a twelve (12) month deferment between the remittance of the loan funds to the business and the date of the first repayment.
- (5) Any recipient of a loan award under this Subsection shall:
- (A) be a registered business in good standing with the State of Maryland and the County; and
 - (B) Remain a County-based business for at least the next sixty (60) months of the business's existence after receipt of the loan, as a written condition of accepting the loan.
- (6) Priority Industry Sectors. The County Council, by resolution, with the concurrence of the County Executive, may establish priority industry sectors for awards from this Program, including the proportion of the annual awards that shall be reserved for such priority industry sectors. At a minimum, the priority sectors will include businesses:
- (A) located within the beltway (the area in the County between the border with

the District of Columbia and the Capital Beltway); or

(B) within one-quarter mile of a transit station; or

(C) within one of the primary or secondary growth sectors outlined in the Approved Economic Development Strategic Action Plan for Prince George's County.

(7) Annual Report.

(A) The County Council and County Executive may request an annual report to be provided with analysis on the Prince George's County Business Expansion and Start-Up Loan Program to include at a minimum the following information categorized by race and gender of each applicant:

i. The name of applicant; and

ii. Names of applicant's loans; and

iii. Names of those applicants denied loans; and

iv. Amount of funds awarded per loan.

(B) If requested, then the report shall be submitted within 90 days.

(d) [(c)] Prince George's County Technology Incentive Program

(1) There is a Prince George's County Technology Incentive Program, which includes a Prince George's County Biosciences Supplemental Incentive Program and Prince George's County New Technologies Incentive Program.

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(e) [(d)] Prince George's County Small Business Accelerator Program.

(1) The Prince George's County Small Business Accelerator Program is hereby established as a program in which the County shall make grant awards to foster the expansion or establishment of small and minority business capacity

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(f) [(e)] Prince George's County Small Business Capital and Growth Stimulus Fund is hereby established as a non-lapsing fund from which the County shall provide funding for the programs authorized under this section. The Fund shall be administered in accordance with Subsection (f), below.

(g) [(f)] Fund Management of the Prince George's County Small Business Capital and Growth Stimulus Program.

SECTION 2. BE IT FURTHER ENACTED that the County Executive and County Council shall in writing reevaluate and reconsider the need of the Act to address disparities in opportunities for businesses that are located within the beltway, with the goal of servicing at least fifty-percent (50%) of African-American businesses, within the next five (5) years or at the time of the next County Disparity Study, whichever occurs earlier.

SECTION 3. BE IT FURTHER ENACTED that the provisions of this Act are hereby declared to be severable; and, in the event that any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this Act is declared invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the remaining words, phrases, clauses, sentences, subparagraphs, paragraphs, subsections, or sections of this Act, since the same would have been enacted without the incorporation in this Act of any such invalid or unconstitutional word, phrase, clause, sentence, paragraph, subparagraph, subsection, or section.

SECTION 4. BE IT FURTHER ENACTED that this Act shall take effect forty-five (45) calendar days after it becomes law.

Adopted this ____ day of _____, 2024.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Jolene Ivey
Chair

ATTEST:

Donna J. Brown
Clerk of the Council

APPROVED:

DATE: _____ BY: _____

Angela D. Alsobrooks
County Executive

KEY:
Underscoring indicates language added to existing law.
[Brackets] indicate language deleted from existing law.
Asterisks *** indicate intervening existing Code provisions that remain unchanged.

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