

DEPARTMENT OF BUSINESS & ECONOMIC DEVELOPMENT (DBED)

12.607 OFFICE OF ECONOMIC ADJUSTMENT – COMMUNITY ECONOMIC ADJUSTMENT PLANNING ASSISTANCE

Program Description: Provides funding in preparation of defense growth in Maryland, the Department of Defense (DoD) Office of Economic Adjustment (OEA) granted federal funds to Maryland to aide in their defense growth planning. To date, Maryland has received over \$5.6 million in OEA grants which has included reimbursable expenses related to salaries and infrastructure planning studies to support the planning and implementation of BRAC 2005. Funds received supported 5.6FTE's which include the 3 personnel staffing the Governor's BRAC Subcabinet and a MDOT BRAC Transportation Coordinator. The federal grant also requires a 80% match of which Maryland DBED through salaries has provided a total of \$830,000 in matching funds. DBED serves as the grant administrator allowing the Department to receive reimbursement for indirect administrative costs which are included in the figures below. As BRAC 2005 decisions were fully implemented by DoD in September 2011, OEA has confirmed the upcoming FY' 14 grant to be the last and expects forthcoming grant applications to reflect a reduction in personnel funding requests. DBED was awarded an FY' 14 grant that included personnel funding for one (1) FTE positions. Receipt of these federal funds has allowed Maryland to successfully implement BRAC 2005 throughout the State which has resulted in the creation of over 36,000 jobs to date and to better support the Governor's number one strategic policy goal to "Create, Save, or Place Residents into 250,000 Maryland Jobs by End of 2012."

FY13 (exp)
\$ 157,139

FY14 (approp)
\$ 330,707

FY15(est)
\$ 119,677

Governor's Strategic goal: [Recover 100% of Jobs Lost due to the Great Recession by the End of FY2014](#)

AA.T00 or 21.000 U.S. TREASURY STATE SMALL BUSINESS CREDIT INITIATIVE

Program Description: The Small Business Jobs Act of 2010 (the "Act") was created to help increase credit availability for small businesses. The Act created the State Small Business Credit Initiative (SSBCI) and appropriated \$1.5 billion to be used by the U.S. Department of the Treasury ("Treasury"). These funds granted by the Treasury are to provide direct support to states for use in programs designed to increase access to credit for small business. Within the Act, Maryland is allocated a total of \$23 million available in three installments subject to performance. It is expected that the 2nd two installments will be received in FY2013 and that all the funds will be committed. Some of the funds will not actually be disbursed but will be held as reserves against loan guarantees.

FY13 (exp)
\$ 1,876,800

FY14 (approp)
\$ 18,151,729

FY15(est)
\$ 0

Program Supported/Population Served: SSBCI funds have been approved to support four State programs: (1) the Maryland Industrial Development Financing Authority (MIDFA) Loan Guaranty, (2) The Maryland Venture Fund, (3) the Maryland Small Business Development Financing Authority (MSBDFA) Loan Guarantee and (4) the Maryland Department of Housing and Community Development- Neighborhood Business Works (DHCD-NBW). These funds must target an average borrower-size of 500 employees or less and loans averaging \$5 million. A critical performance measure is the ability to leverage ten dollars of private sector lending for each dollar of federal funds. Accordingly, Maryland will have to cause \$230 million of bank lending to small businesses over the seven-year lifespan of the program. Upon successful completion, the state retains the federal funds for continued lending support. DBED has received the first installment of funds – \$7.6 million. Over the life of the program, the total of \$23 million has been deployed in four programs as follows:

- To date, 24 SSBCI transactions have been approved utilizing \$4,510,017 of SSBCI funds leveraging \$97,633,000 in private sector loans & investments impacting 1,006 jobs:
 - Eight MIDFA loans totaling \$10,415,000 guaranteed for \$3,232,070 utilizing \$646,250 of SSBCI funds and impacting 352 jobs
 - Eleven Enterprise Investments utilizing \$3,671,967 of SSBCI funds to leverage \$83,900,000 in private sector investments and impacting 590 jobs.
 - Five MSBDFA loans totaling \$1,525,000 guaranteed for \$929,000 utilizing \$191,800 of SSBCI funds and impacting 64 jobs

- Does not include deals approved but Withdrawn/Died before Settlement
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Governor's Strategic Goal: [Recover 100% of Jobs Lost due to the Great Recession by the End of FY2014](#)

45.025 NATIONAL ENDOWMENT FOR THE ARTS - ADVANCEMENT OF THE ARTS – PARTNERSHIP AGREEMENT

Program Description: Supports four components: 1) the basic state arts plan, 2) elements of the state plan addressing Arts Education, 3) elements of the state plan fostering arts in underserved communities, and 4) elements of the state plan that support efforts to discover, share and sustain traditional arts and culture in Maryland. The Maryland State Arts Council (MSAC) supports the performing, visual, and literary arts. The MSAC provides unrestricted operating support to more than 250 arts organizations and programs annually in recognition of its importance to the vitality and sustainability of the state's non-profit arts sector. The arts in Maryland deliver more than \$1billion in total economic impact and support more than 12,000 jobs. Each year more than seven million people attend arts events in Maryland. In addition, the Council also supports arts in education programs that reach 200,000 students in 500 Maryland schools. Other MSAC

programs support Individual Artists, County Arts Councils, Folk and Traditional arts, Arts & Entertainment Districts, and Public Art.

FY13 (exp)	FY14 (approp)	FY15(est)
\$ 878,715	\$ 838,663	\$ 688,749

Governor's Strategic Goal: [Recover 100% of Jobs Lost due to the Great Recession by the End of FY2014](#)

59.061 STATE TRADE AND EXPORT PROMOTION PILOT GRANT PROGRAM – EXPORT MD

Program Description: To boost the Maryland Export Initiative, DBED applied for and was awarded a federal grant as part of the State Trade and Export Promotion Program (STEP) authorized by the Small Business Jobs Act of 2012. The grant provides funding for small and medium sized Maryland companies to capitalize on opportunities in the global market and to help offset the cost of exhibiting at international trade shows and accessing the U.S. Commercial Service programs.

The STEP program is designed to help increase the number of small businesses that are exporting and to raise the value of exports for those small businesses that are currently exporting. During FFY13-FFY14, 18 Maryland companies received the ExportMD award and reported estimated \$15 million in export sales.

FY13 (exp)	FY14 (approp)	FY15(est)
\$ 551,616	\$ 623,308	\$ 0

Governor's Strategic Goal: [Recover 100% of Jobs Lost due to the Great Recession by the End of FY2014](#)

AB.T00 COMMEMORATIVE COIN PROGRAM (PARTNERSHIP WITH THE UNITED STATES MINT)

Program Description: Per authorization of Senate Bill 653 of the 111th U.S. Congress, the U.S. Mint was authorized to mint and issue Star-Spangled Banner Commemorative Coins and with the proceeds going to Maryland. Proceeds from the sale of the Star-Spangled Banner Commemorative Coin will be used by the Maryland War of 1812 Bicentennial Commission to provide matching grants and investments in projects and programming to celebrate the national bicentennial of the Star-Spangled Banner and the War of 1812.

FY13 (exp)	FY14 (approp)	FY15(est)
\$ 0	\$ 2,992,275	\$ 0

-end DBED report-