

HOUSE BILL 1209

Unofficial Copy
C8

2000 Regular Session
(01r0039)

ENROLLED BILL
-- Economic Matters/Finance --

Introduced by **Delegates Barve, Taylor, Dewberry, Hurson, Arnick, Bohanan, Busch, Doory, Guns, Harrison, Hixson, Howard, Kopp, Menes, Montague, Owings, Rawlings, Rosenberg, Vallario, and Wood**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

Speaker.

CHAPTER 13

1 AN ACT concerning

2 **Maryland Science, Engineering, and Technology Development Corporation**

3 FOR the purpose of altering the name of the Maryland Science, Engineering, and
4 Technology Development Corporation to the Maryland Technology Development
5 Corporation; altering the number of members and composition of the
6 Corporation's Board of Directors; altering the factors that the Governor must
7 consider in appointing Board members; providing the Corporation with the
8 express authority to fix, revise, and collect royalties ~~and~~ make grants and
9 investments, and engage certain persons; establishing the circumstances under
10 which the Corporation may deny inspection of certain records in order to allow
11 the Corporation to protect its trade secrets, confidential commercial
12 information, and confidential financial information; designating the
13 Corporation's employees and officials as State personnel for the purposes of the
14 Maryland Tort Claims Act; and generally relating to the Maryland Science,
15 Engineering, and Technology Development Corporation.

1 BY repealing and reenacting, with amendments,
2 Article 83A - Department of Business and Economic Development
3 Section 5-2A-01 through 5-2A-04
4 Annotated Code of Maryland
5 (1998 Replacement Volume and 1999 Supplement)

6 BY repealing and reenacting, without amendments,
7 Article - State Government
8 Section 10-618(a)
9 Annotated Code of Maryland
10 (1999 Replacement Volume)

11 BY adding to
12 Article - State Government
13 Section 10-618(i)
14 Annotated Code of Maryland
15 (1999 Replacement Volume)

16 BY repealing and reenacting, with amendments,
17 Article - State Government
18 Section 12-101(a)(2)
19 Annotated Code of Maryland
20 (1999 Replacement Volume)

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

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

24 5-2A-01.

25 In this subtitle, "Corporation" means the Maryland [Science, Engineering, and]
26 Technology Development Corporation.

27 5-2A-02.

28 (a) There is a Maryland [Science, Engineering, and] Technology Development
29 Corporation.

30 (b) The Corporation is a body politic and corporate and is constituted as a
31 public instrumentality of the State.

32 (c) The purpose of the Corporation is to:

1 (1) Assist in transferring to the private sector and commercializing the
2 results and products of scientific research and development conducted by colleges and
3 universities;

4 (2) Assist in the commercialization of technology developed in the
5 private sector; and

6 (3) Foster the commercialization of research and development described
7 in items (1) and (2) of this subsection to create and sustain businesses throughout all
8 regions of the State.

9 5-2A-03.

10 (a) A Board of Directors shall manage the Corporation and exercise all of its
11 corporate powers.

12 (b) The Board of Directors shall consist of [11] 15 individuals, ONE OF WHOM
13 SHALL BE THE SECRETARY. THE REMAINING MEMBERS OF THE BOARD SHALL BE
14 appointed by the Governor with the advice and consent of the Senate.

15 (c) Of the [11] 14 remaining members:

16 (1) Two shall represent the nonprofit research sector of the State;

17 (2) Two shall have expertise in venture capital financing;

18 (3) [Two] FIVE shall have experience in technology-based businesses;

19 (4) Three shall be members of the general public; and

20 (5) Two shall represent colleges or universities.

21 (d) The Board members shall be Maryland residents.

22 (e) In appointing the Board members, the Governor shall consider DIVERSITY
23 AND all of the geographic regions of the State.

24 (f) Each member shall serve without compensation, except that each member
25 shall be entitled to reimbursement for expenses under the Standard State Travel
26 Regulations as provided in the State budget.

27 (g) (1) [The] EXCEPT FOR THE SECRETARY, THE term of a Board member is
28 4 years.

29 (2) The terms of the members are staggered as required by the terms
30 provided for the Board members on July 1, 1998 AND JULY 1, 2000.

31 (3) At the end of a term, a member continues to serve until a successor is
32 appointed and qualifies.

1 (4) A member who is appointed after a term has begun serves only for
2 the rest of the term and until a successor is appointed.

3 (h) The Governor may remove a Board member for incompetence, misconduct,
4 or failure to perform the duties of the position.

5 (i) A Chairman shall be elected from among the Board members.

6 (j) The Board may act with an affirmative vote of [six] EIGHT Board
7 members.

8 (k) The Corporation shall employ an executive director with experience and
9 qualifications relevant to the activities and the purposes of the Corporation.

10 5-2A-04.

11 (a) The Corporation may:

12 (1) Adopt bylaws for the regulation of its affairs and the conduct of its
13 business;

14 (2) Adopt and alter an official seal;

15 (3) Maintain offices at a place within the State that it designates;

16 (4) Apply for and accept loans, grants, or assistance in any form from
17 federal, State, or local governments, colleges or universities, or private sources;

18 (5) Make, execute, and enter into any contracts or legal instruments;

19 (6) Sue or be sued;

20 (7) Acquire, construct, develop, manage, market, manufacture, license,
21 sublicense, reconstruct, rehabilitate, improve, maintain, equip, lease as a lessor or as
22 a lessee, repair, and operate any project in the State to carry out its purposes;

23 (8) Acquire, purchase, hold, lease as a lessee, and use any:

24 (i) Franchise, patent, or license;

25 (ii) Any real, personal, mixed, or tangible or intangible property; or

26 (iii) Any interest in the property listed in items (i) and (ii) of this
27 item;

28 (9) Sell, lease as a lessor, transfer, license, sublicense, assign, and
29 dispose of any property or interest in it at any time acquired by the Corporation;

30 (10) Acquire, either directly or indirectly, from any person or political
31 subdivision, by purchase, gift, or devise any lands, structures, property, whether real
32 or personal, rights-of-way, franchises, easements, and any other interests in lands,

1 including lands lying under water and riparian rights which it considers necessary or
 2 convenient for the construction, improvement, rehabilitation, or operation of a project
 3 to carry out its purposes, on any terms and at any prices that it considers reasonable;

4 (11) Fix, revise, and collect rates, rentals, fees, ROYALTIES, and charges
 5 for the use of or for services and resources provided or made available by the
 6 Corporation;

7 (12) MAKE GRANTS TO OR PROVIDE EQUITY INVESTMENT FINANCING
 8 FOR TECHNOLOGY-BASED BUSINESSES;

9 (13) ENGAGE ANY NECESSARY ACCOUNTANTS, ENGINEERS, FINANCIAL
 10 ADVISORS, OR OTHER CONSULTANTS;

11 (14) WITH THE APPROVAL OF THE ATTORNEY GENERAL, WHO SHALL
 12 OTHERWISE BE THE LEGAL ADVISOR TO THE CORPORATION, ENGAGE ANY
 13 NECESSARY LAWYERS;

14 [(12)] ~~(13)-(15)~~ Do all things necessary and convenient to carry out the
 15 powers granted by this subtitle; and

16 [(13)] ~~(14)-(16)~~ Exercise any power which is not in conflict with the
 17 Constitution and the laws of this State.

18 (b) Colleges and universities may:

19 (1) Contract with the Corporation or its subsidiaries, if any;

20 (2) Assign to the Corporation or its subsidiaries, if any, intellectual
 21 property and other resources to assist in its development and activities; and

22 (3) Assign faculty and staff to the Corporation.

23 **Article - State Government**

24 10-618.

25 (a) Unless otherwise provided by law, if a custodian believes that inspection of
 26 a part of a public record by the applicant would be contrary to the public interest, the
 27 custodian may deny inspection by the applicant of that part, as provided in this
 28 section.

29 (I) A CUSTODIAN MAY DENY INSPECTION OF THAT PART OF A PUBLIC
 30 RECORD THAT CONTAINS INFORMATION DISCLOSING OR RELATING TO A TRADE
 31 SECRET, CONFIDENTIAL COMMERCIAL INFORMATION, OR CONFIDENTIAL
 32 FINANCIAL INFORMATION OWNED IN WHOLE OR IN PART BY THE MARYLAND
 33 TECHNOLOGY DEVELOPMENT CORPORATION.

1 12-101.

2 (a) In this subtitle, unless the context clearly requires otherwise, "State
3 personnel" means:

4 (2) an employee or official of the:

5 (i) Maryland Transportation Authority;

6 (ii) Injured Workers' Insurance Fund;

7 (iii) Maryland Stadium Authority;

8 (iv) Maryland Environmental Service;

9 (v) overseas programs of the University College of the University
10 System of Maryland; [and]

11 (vi) Maryland Economic Development Corporation; AND

12 (VII) MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION.

13 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the members
14 of the Board of Directors of the Maryland Technology Development Corporation
15 initially appointed under Section 1 of this Act shall expire in 2004.

16 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 July 1, 2000.