

HOUSE BILL 427

Unofficial Copy
C8

2001 Regular Session
(11r0966)

ENROLLED BILL

-- Economic Matters/Finance and Budget and Taxation --

Introduced by **Delegate Barve (Montgomery County Administration)**

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 598

1 AN ACT concerning

2 **Maryland Technology Development Corporation - Maryland Technology**
3 **Incubator Program**

4 FOR the purpose of creating the Maryland Technology Incubator Program and
5 providing that the Program is administered by the Maryland Technology
6 Development Corporation; providing for the purpose of the Program;
7 authorizing the Board of Directors of the Corporation to use certain public and
8 private moneys in awarding grants financial assistance; requiring the Board, in
9 consultation with the Secretary of Economic and Business Development, to
10 adopt ~~certain regulations governing the~~ *certain* criteria and ~~requirements for~~
11 ~~procedures requirements~~ for awarding grants financial assistance; authorizing
12 the Board to award grants financial assistance to certain entities; requiring the
13 Board to consider certain factors in awarding grants financial assistance;
14 imposing certain conditions for the receipt of grants financial assistance for
15 certain purposes; limiting the aggregate amount of grants financial assistance
16 for those purposes which may be made in each county in any single fiscal year;
17 requiring the Corporation to report by a certain date to the General Assembly on

1 ~~certain activities; requiring the Governor to fund the Program at a certain level~~
 2 ~~in a future fiscal year;~~ defining certain terms; providing for an abnormal
 3 effective date; and generally relating to the Maryland Technology Incubator
 4 Program.

5 BY adding to
 6 Article 83A - Department of Business and Economic Development
 7 Section 5-2A-04.1
 8 Annotated Code of Maryland
 9 (1998 Replacement Volume and 2000 Supplement)

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

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

13 5-2A-04.1.

14 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
 15 INDICATED.

16 (2) "BOARD" MEANS THE BOARD OF DIRECTORS OF THE CORPORATION.

17 (3) "FINANCIAL ASSISTANCE" MEANS GRANTS, LOANS, CREDIT
 18 ENHANCEMENTS, OR ANOTHER SIMILAR FORM OR MANNER OF ASSISTANCE.

19 ~~(3)~~ (4) "PROGRAM" MEANS THE MARYLAND TECHNOLOGY INCUBATOR
 20 PROGRAM.

21 (B) (1) THERE IS A MARYLAND TECHNOLOGY INCUBATOR PROGRAM.

22 (2) THE PROGRAM IS ADMINISTERED BY THE CORPORATION.

23 (C) THE PURPOSE OF THE PROGRAM IS TO PROMOTE ENTREPRENEURSHIP
 24 AND THE CREATION OF JOBS IN TECHNOLOGY-RELATED INDUSTRY BY
 25 ESTABLISHING AND OPERATING EFFECTIVE INCUBATORS THROUGHOUT THE STATE
 26 THAT PROVIDE ADEQUATE PHYSICAL SPACE DESIGNED, AND PROGRAMS INTENDED,
 27 TO INCREASE OR ACCELERATE BUSINESS SUCCESS IN THE FIELD OF TECHNOLOGY.

28 (D) (1) THE BOARD SHALL AWARD ~~GRANTS~~ FINANCIAL ASSISTANCE UNDER
 29 THIS SECTION TO FURTHER THE PURPOSES STATED IN SUBSECTION (C) OF THIS
 30 SECTION.

31 (2) THE BOARD MAY AWARD ~~GRANTS~~ FINANCIAL ASSISTANCE USING
 32 MONEYS PROVIDED BY:

33 (I) THE STATE;

34 (II) THE FEDERAL GOVERNMENT; OR

1 (III) A NONGOVERNMENTAL ENTITY.

2 (3) AFTER CONSULTING WITH THE SECRETARY, THE BOARD SHALL
3 ESTABLISH CRITERIA AND REQUIREMENTS FOR THE AWARDING OF GRANTS
4 FINANCIAL ASSISTANCE, WHICH SHALL:

5 (I) SUPPORT THE DEVELOPMENT AND USE OF BEST PRACTICES IN
6 THE INCUBATION PROCESS;

7 (II) PROVIDE STRATEGIC PLANNING, NEEDS ASSESSMENTS, AND
8 FEASIBILITY STUDIES; OR

9 (III) ASSIST IN THE ACQUISITION AND CONSTRUCTION OF NEW OR
10 EXPANDED SPACE OR THE RENOVATION OF EXISTING SPACE FOR AN INCUBATOR,
11 INCLUDING BY PROVIDING OR ASSISTING WITH:

12 1. LAND ACQUISITION;

13 2. THE OBTAINING OF ARCHITECTURAL AND ENGINEERING
14 SERVICES;

15 3. THE PAYMENT OF ADMINISTRATIVE COSTS;

16 4. THE DEVELOPMENT OR UPGRADING OF
17 COMMUNICATIONS INFRASTRUCTURE;

18 5. THE ACQUISITION OF FURNISHINGS AND EQUIPMENT; OR

19 6. THE ACQUISITION OR PURCHASE OF OTHER ITEMS
20 ASSOCIATED WITH TENANT ~~EXPANSION~~ BUILD-OUT.

21 (E) ~~(A)~~ THE BOARD MAY AWARD ~~A GRANT~~ FINANCIAL ASSISTANCE TO:

22 ~~(A)~~ (1) A LOCAL GOVERNMENT;

23 ~~(B)~~ (2) AN AGENCY OR INSTRUMENTALITY DESIGNATED BY THE
24 LOCAL GOVERNMENT, INCLUDING:

25 ~~1-~~ A NONPROFIT CORPORATION;

26 ~~2-~~ (3) A PUBLIC OR PRIVATE COLLEGE OR UNIVERSITY; ~~OR~~

27 ~~3-~~ (4) THE MARYLAND ECONOMIC DEVELOPMENT
28 CORPORATION; OR

29 ~~(H)~~ (5) A NONPROFIT ENTITY OPERATING AN INCUBATOR IN THE
30 STATE.

31 ~~(2)~~ (2) ~~IN DETERMINING WHETHER TO AWARD A GRANT UNDER~~
32 ~~SUBSECTION (D)(3)(III) OF THIS SECTION, THE BOARD SHALL CONSIDER:~~

1 (I) ~~WHETHER THE PROPOSED PROJECT IS CONSISTENT WITH THE~~
2 ~~STATE'S STRATEGIC ECONOMIC DEVELOPMENT PLAN;~~

3 (II) ~~WHETHER THE PROPOSED PROJECT IS LOCATED WITHIN A~~
4 ~~PRIORITY FUNDING AREA;~~

5 (III) ~~WHETHER THE PROPOSED PROJECT IS LOCATED WITHIN AN~~
6 ~~UNDERSERVED AREA;~~

7 (IV) ~~THE LEVEL OF FINANCIAL COMMITMENT THAT THE APPLICANT~~
8 ~~IS ABLE TO PROVIDE; AND~~

9 (V) ~~ANY OTHER FACTORS THAT THE BOARD DETERMINES TO BE~~
10 ~~APPROPRIATE.~~

11 (F) (1) UNLESS THE REQUIREMENT IS WAIVED BY THE BOARD IN WHOLE OR
12 PART, FOR GOOD CAUSE SHOWN, A RECIPIENT OF A GRANT FINANCIAL ASSISTANCE
13 UNDER SUBSECTION (D)(3)(III) OF THIS SECTION SHALL PROVIDE MATCHING FUNDS
14 OR IN-KIND CONTRIBUTIONS FOR THE PROJECT THAT ARE AT LEAST EQUAL TO THE
15 AMOUNT OF THE GRANT FINANCIAL ASSISTANCE AWARDED.

16 (2) UNLESS OTHERWISE APPROVED BY A TWO-THIRDS VOTE OF THE
17 MEMBERSHIP OF THE BOARD, THE BOARD MAY NOT AWARD GRANTS FINANCIAL
18 ASSISTANCE WITHIN A SINGLE COUNTY OR WITHIN BALTIMORE CITY UNDER
19 SUBSECTION (D)(3)(III) OF THIS SECTION THAT EXCEED A TOTAL OF \$1,000,000 IN ANY
20 FISCAL YEAR.

21 ~~SECTION 2. AND BE IT FURTHER ENACTED, That the Governor of~~
22 ~~Maryland shall include \$10,000,000 in the fiscal year 2003 State budget to fund the~~
23 ~~Maryland Technology Incubator Program.~~

24 ~~SECTION 2. AND BE IT FURTHER ENACTED, That, within 90 days~~
25 ~~following the end of each fiscal year, the Maryland Technology Development~~
26 ~~Corporation shall report to the General Assembly, in accordance with § 2-1246 of the~~
27 ~~State Government Article, on the activities of the Maryland Technology Incubator~~
28 ~~Program during the previous fiscal year and anticipated activities for the following~~
29 ~~fiscal year.~~

30 ~~SECTION 3. 2, 3.~~ AND BE IT FURTHER ENACTED, That this Act shall take
31 effect June 1, 2001.

