HOUSE BILL 741

C8, Q7, F2 4lr2753
CF SB 601

By: **Delegates Bohanan, Barnes, Barve, Beidle, Branch, Braveboy, Bromwell, Busch, Cane, Carter, Clagett, Conway, Cullison, Davis, DeBoy, Donoghue, Dumais, Frick, Gaines, Griffith, Guzzone, Hammen, Haynes, Healey, Hixson, Holmes, Hubbard, James, Jameson, Jones, Kaiser, A. Kelly, Lafferty, Luedtke, Malone, McHale, McIntosh, A. Miller, Murphy, Oaks, Olszewski, Pena–Melnyk, Pendergrass, Proctor, B. Robinson, Rudolph, Stein, Tarrant, F. Turner, V. Turner, Vallario, Waldstreicher, Walker, Weir, Wilson, Wood, and Zucker**

Introduced and read first time: February 3, 2014
Assigned to: Ways and Means and Appropriations

A BILL ENTITLED

AN ACT concerning

Business and Economic Development – Maryland E–Nnovation Initiative Program

FOR the purpose of establishing a Maryland E–Nnovation Initiative Program for certain purposes; establishing a Maryland E–Nnovation Initiative Fund in the Department of Business and Economic Development for certain purposes; establishing a Maryland E–Nnovation Initiative Fund Authority in the Department for certain purposes; providing for the investment of money in and expenditures from the Fund; providing for the membership and duties of the Authority; allowing certain persons to purchase credits against the insurance premium tax or Maryland corporate income tax in order to fund certain research at certain institutions of higher education; providing for the duties of the Department in connection with the Program; requiring the Authority to obtain the services of an independent third party to conduct a bidding process for the purchase of certain tax credits for certain purposes; establishing certain requirements for certain offers for certain tax credit bids; limiting the total tax credits that may be allowed for all years; requiring certain dedicated capital to be paid to the Fund in certain amounts in accordance with certain procedures; requiring the Department to issue certain tax credit certificates in a certain manner; providing for certain penalties under certain circumstances; authorizing the Department to purchase certain insurance for certain purposes; authorizing a purchaser of certain tax credits to claim the credits for certain taxable years in a certain manner; providing for the transfer of certain tax credits under certain circumstances; providing for the creation and

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
[Brackets**]** indicate matter deleted from existing law.

administration of certain research endowments by certain governing bodies of certain institutions of higher education; requiring certain institutions of higher education to obtain certain qualified donations in order to receive certain matching funds; requiring certain reports on the receipt of qualified donations; providing for the expenditure of endowment proceeds under certain circumstances; establishing certain requirements for certain individuals in certain positions funded by endowment proceeds; requiring the Authority to issue certain eligibility criteria; requiring the governing body of a certain institution of higher education to submit certain research endowment plans to the Authority; requiring the Authority to make available a certain amount of funds to match qualified donations; requiring the Authority to review certain requests and distribute certain funds under certain circumstances; requiring a certain institution of higher education to deposit certain qualified donations into certain research endowments by a certain date; providing for the reallocation of certain funds under certain circumstances; requiring that certain designated capital be treated in a certain manner under certain circumstances; requiring the Department to submit certain information to the Maryland Insurance Administration; providing for the application of certain laws to certain services and transactions under this Act; requiring the Department to administer the Program and to adopt certain regulations; requiring the Department to submit an annual report to the Governor and certain committees of the General Assembly on certain matters; requiring the Department to publish the report on the Department's Web site in a certain format; prohibiting a certain publication from including any proprietary or confidential information; defining certain terms; and generally relating to tax credits, higher education, and the Maryland E–Nnovation Initiative Program.

BY adding to
Article – Economic Development
Section 6–601 through 6–631 to be under the new subtitle "Subtitle 6. Maryland E–Nnovation Initiative Program"
Annotated Code of Maryland
(2008 Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,
Article – Insurance
Section 6–122
Annotated Code of Maryland
(2011 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, without amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(i)
Annotated Code of Maryland
(2009 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement
Section 6–226(a)(2)(ii)76. and 77.
Annotated Code of Maryland
(2009 Replacement Volume and 2013 Supplement)

BY adding to
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)78.
Annotated Code of Maryland
(2009 Replacement Volume and 2013 Supplement)

Preamble

WHEREAS, The State of Maryland is home to world–class research universities, national federal laboratories, and businesses; and

WHEREAS, Our region is home to the White House, U.S. Congress, federal agencies, embassies, trade associations, regulatory agencies, foundations, corporate headquarters, and other technology and policy resources; and

WHEREAS, By recruiting and retaining top university researchers and encouraging collaboration among Maryland research universities and federal agencies, the Maryland General Assembly can enhance the economic competitiveness of the State and build on existing clusters of research and innovation; and

WHEREAS, By stimulating corporate, foundation, and private donor support for university professorships, endowed chairs, and related public–private partnerships, Maryland can spur progress on key national technical and scientific issues facing the nation while supporting job growth and economic development in Maryland; and

WHEREAS, Leveraging the impact of State funds through matching funds from the private sector to create a $100 million Maryland E–Nnovation Initiative Program will provide Maryland with a tremendous advantage in the global competition for the best minds in the world and the opportunities, jobs, and industries created by their work; now, therefore,

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

Article – Economic Development

SUBTITLE 6. MARYLAND E–NNOVATION INITIATIVE PROGRAM.

PART I. DEFINITIONS.

6–601.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "ALLOCATION AMOUNT" MEANS THE TOTAL AMOUNT OF TAX CREDITS ALLOCATED TO A PURCHASER.

(C) "ALLOCATION DATE" MEANS THE DATE ON WHICH TAX CREDITS ARE ALLOCATED TO A PURCHASER UNDER § 6–614 OF THIS SUBTITLE.

(D) "AUTHORITY" MEANS THE MARYLAND E–NNOVATION INITIATIVE FUND AUTHORITY ESTABLISHED UNDER § 6–605 OF THIS SUBTITLE.

(E) "DESIGNATED CAPITAL" MEANS THE AMOUNT OF MONEY THAT A PURCHASER INVESTS UNDER THE PROGRAM.

(F) "ENDOWMENT PROCEEDS" MEANS THOSE INVESTMENT EARNINGS ACCRUING TO A RESEARCH ENDOWMENT OF A NONPROFIT INSTITUTION OF HIGHER EDUCATION AND AVAILABLE FOR EXPENDITURE BY THE INSTITUTION IN ACCORDANCE WITH § 6–618 OF THIS SUBTITLE.

(G) "FUND" MEANS THE MARYLAND E–NNOVATION INITIATIVE FUND CREATED UNDER § 6–604 OF THIS SUBTITLE.

(H) "GOVERNING BOARD" HAS THE MEANING STATED IN § 10–101 OF THE EDUCATION ARTICLE.

(I) "GOVERNING BODY" MEANS:

(1) A GOVERNING BOARD;

(2) THE GOVERNING ENTITY OF PRIVATE NONPROFIT INSTITUTIONS OF HIGHER EDUCATION; OR

(3) THE GOVERNING ENTITY OF A REGIONAL HIGHER EDUCATION CENTER.

(J) "INSURANCE PREMIUM TAX LIABILITY" MEANS:

(1) ANY LIABILITY INCURRED BY AN INSURANCE COMPANY UNDER TITLE 6, SUBTITLE 1 OF THE INSURANCE ARTICLE AS OF OCTOBER 1, 2014; OR

(2) IF THE LIABILITY REFERRED TO IN ITEM (1) OF THIS SUBSECTION IS ELIMINATED OR REDUCED, ANY OTHER TAX LIABILITY THAT HAS BEEN IMPOSED BY THE STATE ON THE INSURANCE COMPANY AS OF OCTOBER 1, 2014, NOT TO EXCEED THE AMOUNT OF THE LIABILITY ELIMINATED OR REDUCED.

(K) "MARYLAND CORPORATE INCOME TAX LIABILITY" MEANS:

(1) ANY LIABILITY INCURRED BY A CORPORATION UNDER TITLE 10, SUBTITLE 1 OF THE TAX – GENERAL ARTICLE AS OF OCTOBER 1, 2014; OR

(2) IF THE LIABILITY REFERRED TO IN ITEM (1) OF THIS SUBSECTION IS ELIMINATED OR REDUCED, ANY OTHER TAX LIABILITY THAT HAS BEEN IMPOSED BY THE STATE ON THE CORPORATION AS OF OCTOBER 1, 2014, NOT TO EXCEED THE AMOUNT OF THE LIABILITY ELIMINATED OR REDUCED.

(L) (1) "NONPROFIT INSTITUTION OF HIGHER EDUCATION" MEANS AN INSTITUTION OF POSTSECONDARY EDUCATION THAT GENERALLY LIMITS ENROLLMENT TO GRADUATES OF SECONDARY SCHOOLS AND AWARDS DEGREES AT EITHER THE ASSOCIATE, BACCALAUREATE, OR GRADUATE LEVEL.

(2) "NONPROFIT INSTITUTION OF HIGHER EDUCATION" INCLUDES PUBLIC AND PRIVATE NONPROFIT INSTITUTIONS OF HIGHER EDUCATION LOCATED IN THE STATE.

(M) "PRIVATE NONPROFIT INSTITUTION OF HIGHER EDUCATION" HAS THE MEANING STATED IN § 10–101 OF THE EDUCATION ARTICLE.

(N) "PROGRAM" MEANS THE MARYLAND E–NNOVATION INITIATIVE PROGRAM UNDER THIS SUBTITLE.

(O) "PURCHASER" MEANS:

(1) AN INSURANCE COMPANY THAT:

(I) IS AUTHORIZED TO DO BUSINESS IN THE STATE;

(II) HAS INSURANCE PREMIUM TAX LIABILITY; AND

(III) CONTRIBUTES DESIGNATED CAPITAL TO PURCHASE AN ALLOCATION OF PREMIUM TAX CREDITS UNDER THE PROGRAM;

(2) A HOLDING COMPANY THAT:

(I) HAS AT LEAST ONE INSURANCE COMPANY SUBSIDIARY AUTHORIZED TO DO BUSINESS IN THE STATE; AND

(II) IS CONTRIBUTING DESIGNATED CAPITAL ON BEHALF OF ONE OR MORE OF THESE SUBSIDIARIES; OR

(3) A CORPORATION THAT:

(I) HAS MARYLAND CORPORATE INCOME TAX LIABILITY; AND

(II) CONTRIBUTES DESIGNATED CAPITAL TO PURCHASE AN ALLOCATION OF MARYLAND CORPORATE INCOME TAX CREDITS UNDER THE PROGRAM.

(P) "QUALIFIED DONATION" MEANS ANY PRIVATE DONATION, GIFT, IRREVOCABLE PLEDGE, OR BEQUEST TO A RESEARCH ENDOWMENT IN ACCORDANCE WITH § 6–619 OF THIS SUBTITLE.

(Q) "REGIONAL HIGHER EDUCATION CENTER" HAS THE MEANING STATED IN § 10–101 OF THE EDUCATION ARTICLE.

(R) "RESEARCH ENDOWMENT" MEANS AN ACCOUNT ESTABLISHED AT OR ADMINISTERED BY A NONPROFIT INSTITUTION OF HIGHER EDUCATION IN ACCORDANCE WITH § 6–618 OF THIS SUBTITLE.

(S) "TAX CREDIT" MEANS A CREDIT AGAINST INSURANCE PREMIUM TAX LIABILITY OR MARYLAND CORPORATE INCOME TAX LIABILITY OFFERED TO A PURCHASER UNDER THE PROGRAM.

6–602. RESERVED.

6–603. RESERVED.

PART II. MARYLAND E–NNOVATION INITIATIVE FUND AND AUTHORITY.

6–604.

(A) THERE IS A MARYLAND E–NNOVATION INITIATIVE FUND IN THE DEPARTMENT.

(B) THE SECRETARY SHALL MANAGE AND SUPERVISE THE FUND.

(C) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(D) THE FUND CONSISTS OF:

(1) DESIGNATED CAPITAL DISTRIBUTED TO THE FUND UNDER § 6–612 OF THIS SUBTITLE;

(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND; AND

(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(E) THE DEPARTMENT MAY USE THE FUND TO:

(1) FINANCE RESEARCH ENDOWMENTS AT NONPROFIT INSTITUTIONS OF HIGHER EDUCATION IN SCIENTIFIC AND TECHNICAL FIELDS OF STUDY; AND

(2) PAY THE RELATED ADMINISTRATIVE, LEGAL, AND ACTUARIAL EXPENSES OF THE DEPARTMENT.

(F) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

(G) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

6–605.

THERE IS A MARYLAND E–NNOVATION INITIATIVE FUND AUTHORITY IN THE DEPARTMENT.

6–606.

THE AUTHORITY CONSISTS OF THOSE MEMBERS APPOINTED TO THE MARYLAND VENTURE FUND AUTHORITY ESTABLISHED UNDER SUBTITLE 5 OF THIS TITLE.

6–607.

(A) THE CHAIR OF THE MARYLAND VENTURE FUND AUTHORITY SHALL SERVE AS THE CHAIR OF THE AUTHORITY.

(B) THE AUTHORITY SHALL DETERMINE THE MANNER OF ELECTION OF OFFICERS AND THEIR TERMS OF OFFICE.

6–608.

(A) (1) FIVE MEMBERS OF THE AUTHORITY ARE A QUORUM.

(2) AN ACT OF THE AUTHORITY SHALL BE APPROVED BY A MAJORITY VOTE OF THE MEMBERS ATTENDING A MEETING AT WHICH A QUORUM IS PRESENT.

(B) A MEMBER OF THE AUTHORITY:

(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE AUTHORITY; BUT

(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

6–609.

THE AUTHORITY SHALL PROVIDE ADVICE TO AND CONSULT WITH THE DEPARTMENT IN CONNECTION WITH THE ADMINISTRATION OF THE PROGRAM UNDER THIS SUBTITLE.

6–610. RESERVED.

6–611. RESERVED.

PART III. DESIGNATED CAPITAL.

6–612.

(A) ALL DESIGNATED CAPITAL FROM PURCHASERS SHALL BE DEPOSITED INTO THE FUND TO BE INVESTED AS PROVIDED IN THIS SUBTITLE.

(B) AS SOON AS PRACTICABLE AFTER THE DEPARTMENT RECEIVES EACH INSTALLMENT OF DESIGNATED CAPITAL AND A NONPROFIT INSTITUTION OF HIGHER EDUCATION RECEIVES AN EQUIVALENT AMOUNT IN QUALIFIED DONATIONS, THE DEPARTMENT AND EACH INSTITUTION THAT HAS BEEN ALLOCATED FUNDING FROM THE FUND SHALL ENTER INTO A MEMORANDUM OF UNDERSTANDING UNDER WHICH THE ALLOCATED AMOUNT OF FUNDING WILL BE TRANSFERRED BY THE DEPARTMENT TO THE INSTITUTION FOR USE AS PROVIDED IN THIS SUBTITLE.

(C) THE DEPARTMENT SHALL SECURE THE COMMITMENT OF THE PURCHASERS IN ACCORDANCE WITH § 6–613 OF THIS SUBTITLE.

6–613.

(A) THE AUTHORITY SHALL OBTAIN THE SERVICES OF AN INDEPENDENT THIRD PARTY TO CONDUCT A BIDDING PROCESS IN ORDER TO SECURE PURCHASERS FOR THE PROGRAM AS PROVIDED IN THIS SECTION.

(B) USING THE PROCEDURES ADOPTED BY THE INDEPENDENT THIRD PARTY, EACH POTENTIAL PURCHASER SHALL MAKE A TIMELY AND IRREVOCABLE OFFER, SUBJECT ONLY TO THE DEPARTMENT'S ISSUANCE TO THE PURCHASER OF TAX CREDIT CERTIFICATES, TO MAKE SPECIFIED CONTRIBUTIONS OF DESIGNATED CAPITAL TO THE DEPARTMENT ON THE DATES SPECIFIED IN § 6–614(A) OF THIS SUBTITLE.

(C) THE OFFER SHALL INCLUDE:

(1) THE REQUESTED AMOUNT OF TAX CREDITS, WHICH MAY NOT BE LESS THAN $5,000,000;

(2) THE POTENTIAL PURCHASER'S SPECIFIED CONTRIBUTION FOR EACH TAX CREDIT DOLLAR REQUESTED, WHICH MAY NOT BE LESS THAN THE GREATER OF:

(I) 70% OF THE REQUESTED DOLLAR AMOUNT OF TAX CREDITS; OR

(II) THE PERCENTAGE OF THE REQUESTED DOLLAR AMOUNT OF TAX CREDITS THAT THE SECRETARY, ON THE RECOMMENDATION

OF THE INDEPENDENT THIRD PARTY, DETERMINES TO BE CONSISTENT WITH MARKET CONDITIONS AS OF THE OFFER DATE; AND

(3) ANY OTHER INFORMATION THE INDEPENDENT THIRD PARTY REQUIRES.

(D) THE MAXIMUM AMOUNT OF TAX CREDITS THAT MAY BE ALLOCATED UNDER THIS SUBTITLE FOR ALL YEARS IN WHICH TAX CREDITS ARE ALLOCATED IS:

(1) $25,000,000 FOR CALENDAR YEAR 2014; AND

(2) $25,000,000 FOR CALENDAR YEAR 2016.

(E) FOR TAX CREDITS ALLOCATED UNDER THIS SUBTITLE FOR CALENDAR YEAR 2014:

(1) THE DEADLINE FOR SUBMISSION OF APPLICATIONS FOR TAX CREDITS IS FEBRUARY 1, 2015; AND

(2) EACH POTENTIAL PURCHASER SHALL RECEIVE A WRITTEN NOTICE FROM THE DEPARTMENT NOT LATER THAN MAY 1, 2015, INDICATING WHETHER OR NOT IT HAS BEEN APPROVED AS A PURCHASER AND, IF SO, THE AMOUNT OF TAX CREDITS ALLOCATED.

(F) FOR TAX CREDITS ALLOCATED UNDER THIS SUBTITLE FOR CALENDAR YEAR 2016:

(1) THE DEADLINE FOR SUBMISSION OF APPLICATIONS FOR TAX CREDITS IS FEBRUARY 1, 2017; AND

(2) EACH POTENTIAL PURCHASER SHALL RECEIVE A WRITTEN NOTICE FROM THE DEPARTMENT NOT LATER THAN MAY 1, 2017, INDICATING WHETHER OR NOT IT HAS BEEN APPROVED AS A PURCHASER AND, IF SO, THE AMOUNT OF TAX CREDITS ALLOCATED.

6–614.

(A) (1) FOR TAX CREDITS ALLOCATED UNDER THIS SUBTITLE FOR CALENDAR YEAR 2014, DESIGNATED CAPITAL COMMITTED BY A PURCHASER SHALL BE PAID TO THE FUND OF THE DEPARTMENT IN THREE EQUAL YEARLY INSTALLMENTS DUE ON JUNE 1 OF 2015, 2016, AND 2017.

(2) FOR TAX CREDITS ALLOCATED UNDER THIS SUBTITLE FOR CALENDAR YEAR 2016, DESIGNATED CAPITAL COMMITTED BY A PURCHASER SHALL BE PAID TO THE FUND OF THE DEPARTMENT IN THREE EQUAL YEARLY INSTALLMENTS DUE ON JUNE 1 OF 2017, 2018, AND 2019.

(B) ON RECEIPT OF EACH INSTALLMENT OF DESIGNATED CAPITAL, THE DEPARTMENT SHALL ISSUE TO EACH PURCHASER A TAX CREDIT CERTIFICATE REPRESENTING A FULLY VESTED CREDIT AGAINST INSURANCE PREMIUM TAX LIABILITY OR MARYLAND CORPORATE INCOME TAX LIABILITY EQUAL TO ONE–THIRD OF THE TOTAL TAX CREDITS ALLOCATED TO THE PURCHASER.

(C) THE DEPARTMENT SHALL ISSUE TAX CREDIT CERTIFICATES TO PURCHASERS IN ACCORDANCE WITH THE BIDDING PROCESS SELECTED BY THE INDEPENDENT THIRD PARTY ON BEHALF OF THE AUTHORITY UNDER § 6–613 OF THIS SUBTITLE.

(D) THE TAX CREDIT CERTIFICATE SHALL STATE:

(1) THE TOTAL AMOUNT OF TAX CREDITS THAT THE PURCHASER MAY CLAIM;

(2) THE AMOUNT OF DESIGNATED CAPITAL THAT THE PURCHASER HAS CONTRIBUTED IN RETURN FOR THE ISSUANCE OF THE TAX CREDIT CERTIFICATE;

(3) THE DATES ON WHICH THE TAX CREDITS WILL BE AVAILABLE FOR USE BY THE PURCHASER;

(4) ANY PENALTIES OR OTHER REMEDIES FOR NONCOMPLIANCE;

(5) THE PROCEDURES TO BE USED FOR TRANSFERRING THE TAX CREDITS; AND

(6) ANY OTHER REQUIREMENTS THE DEPARTMENT CONSIDERS NECESSARY.

(E) (1) A TAX CREDIT CERTIFICATE MAY NOT BE ISSUED TO ANY PURCHASER THAT FAILS TO MAKE A CONTRIBUTION OF DESIGNATED CAPITAL WITHIN THE TIME PERIOD THE DEPARTMENT SPECIFIES.

(2) A PURCHASER THAT FAILS TO MAKE A CONTRIBUTION OF DESIGNATED CAPITAL WITHIN THE TIME PERIOD THE DEPARTMENT SPECIFIES SHALL BE SUBJECT TO A PENALTY EQUAL TO 10% OF THE AMOUNT OF

DESIGNATED CAPITAL THAT REMAINS UNPAID, PAYABLE TO THE DEPARTMENT WITHIN 30 DAYS AFTER DEMAND BY THE DEPARTMENT.

(3) THE DEPARTMENT MAY OFFER TO REALLOCATE THE DEFAULTED DESIGNATED CAPITAL AMONG THE OTHER PURCHASERS, SO THAT THE RESULT AFTER REALLOCATION IS THE SAME AS IF THE INITIAL ALLOCATION HAD BEEN PERFORMED WITHOUT CONSIDERING THE TAX CREDIT ALLOCATION TO THE DEFAULTING PURCHASER.

(4) IF THE REALLOCATION OF DESIGNATED CAPITAL RESULTS IN THE CONTRIBUTION BY ANOTHER PURCHASER OR PURCHASERS OF THE AMOUNT OF DESIGNATED CAPITAL NOT CONTRIBUTED BY THE DEFAULTING PURCHASER, THEN THE DEPARTMENT MAY WAIVE THE PENALTY PROVIDED UNDER THIS SUBSECTION.

(5) (I) A PURCHASER THAT FAILS TO MAKE A CONTRIBUTION OF DESIGNATED CAPITAL WITHIN THE TIME PERIOD SPECIFIED MAY AVOID THE IMPOSITION OF THE PENALTY BY TRANSFERRING THE ALLOCATION OF TAX CREDITS TO A NEW OR EXISTING PURCHASER WITHIN 30 DAYS AFTER THE DUE DATE OF THE DEFAULTED INSTALLMENT.

(II) ANY TRANSFEREE OF AN ALLOCATION OF TAX CREDITS FROM A DEFAULTING PURCHASER UNDER THIS SECTION SHALL AGREE TO MAKE THE REQUIRED CONTRIBUTION OF DESIGNATED CAPITAL WITHIN 30 DAYS AFTER THE DATE OF THE TRANSFER.

(6) (I) THE DEPARTMENT IN ITS SOLE DISCRETION MAY PURCHASE INSURANCE OR MAKE OTHER FINANCIAL ARRANGEMENTS IN ORDER TO ENSURE THE AVAILABILITY OF THE FULL AMOUNT OF DESIGNATED CAPITAL COMMITTED BY PURCHASERS.

(II) THE DEPARTMENT SHALL DISCLOSE ANY PURCHASE OF INSURANCE OR OTHER SIMILAR FINANCIAL ARRANGEMENT UNDER THIS PARAGRAPH IN THE ANNUAL REPORT REQUIRED UNDER § 6–631 OF THIS SUBTITLE.

6–615.

(A) (1) SUBJECT TO THE RESTRICTION IN PARAGRAPH (2) OF THIS SUBSECTION, A PURCHASER MAY CLAIM THE TAX CREDIT ON A TAX RETURN FILED AFTER DECEMBER 31, 2017, FOR A TAXABLE YEAR THAT BEGINS ON OR AFTER JANUARY 1, 2017.

(2) FOR TAX CREDITS ALLOCATED UNDER THIS SUBTITLE FOR CALENDAR YEAR 2014, A PURCHASER MAY CLAIM UP TO 20% OF THE TAX CREDIT ALLOCATED TO THAT PURCHASER IN EACH CALENDAR YEAR FROM 2018 THROUGH 2022.

(3) FOR TAX CREDITS ALLOCATED UNDER THIS SUBTITLE FOR CALENDAR YEAR 2016, A PURCHASER MAY CLAIM UP TO 20% OF THE TAX CREDIT ALLOCATED TO THAT PURCHASER IN EACH CALENDAR YEAR FROM 2020 THROUGH 2024.

(B) (1) THE CREDIT TO BE APPLIED AGAINST INSURANCE PREMIUM TAX LIABILITY OR MARYLAND CORPORATE INCOME TAX LIABILITY IN ANY TAXABLE YEAR MAY NOT EXCEED THE TAX LIABILITY OF THE PURCHASER FOR THAT TAXABLE YEAR.

(2) ANY UNUSED CREDIT AGAINST TAX LIABILITY MAY BE:

(I) CARRIED FORWARD INDEFINITELY UNTIL THE TAX CREDITS ARE USED; AND

(II) 1. FOR TAX CREDITS ALLOCATED UNDER THIS SUBTITLE FOR CALENDAR YEAR 2014, USED BY THE PURCHASER WITHOUT RESTRICTION DURING ANY CALENDAR YEAR AFTER 2022; OR

2. FOR TAX CREDITS ALLOCATED UNDER THIS SUBTITLE FOR CALENDAR YEAR 2016, USED BY THE PURCHASER WITHOUT RESTRICTION DURING ANY CALENDAR YEAR AFTER 2024.

(3) ON 30 DAYS' ADVANCE NOTICE TO THE DEPARTMENT, TAX CREDITS ALLOCATED TO A PURCHASER UNDER THIS SUBTITLE MAY BE TRANSFERRED WITHOUT FURTHER RESTRICTION TO ANY OTHER ENTITY THAT:

(I) MEETS THE DEFINITION OF A PURCHASER;

(II) IS IN GOOD STANDING WITH THE MARYLAND INSURANCE ADMINISTRATION, IF THE PURCHASER IS AN INSURANCE COMPANY OR HOLDING COMPANY; AND

(III) AGREES TO ASSUME ALL OF THE TRANSFEROR'S OBLIGATIONS UNDER THE PROGRAM.

(C) A PURCHASER CLAIMING A CREDIT AGAINST INSURANCE PREMIUM TAX LIABILITY OR MARYLAND CORPORATE INCOME TAX LIABILITY EARNED

THROUGH AN INVESTMENT UNDER THE PROGRAM IS NOT REQUIRED TO PAY ANY ADDITIONAL TAX AS A RESULT OF CLAIMING THE CREDIT.

(D) A PURCHASER IS NOT REQUIRED TO REDUCE THE AMOUNT OF PREMIUM TAX INCLUDED BY THE PURCHASER IN CONNECTION WITH RATE MAKING FOR ANY INSURANCE CONTRACT WRITTEN IN THE STATE BECAUSE OF A REDUCTION IN THE PURCHASER'S INSURANCE PREMIUM TAX DERIVED FROM THE CREDIT GRANTED UNDER THIS SUBTITLE.

6–616. RESERVED.

6–617. RESERVED.

PART IV. RESEARCH ENDOWMENTS.

6–618.

(A) THE GOVERNING BODY OF EACH NONPROFIT INSTITUTION OF HIGHER EDUCATION MAY CREATE AND ADMINISTER ONE OR MORE RESEARCH ENDOWMENTS TO RECEIVE FUNDING FROM THE FUND.

(B) A RESEARCH ENDOWMENT CONSISTS OF FUNDS DISTRIBUTED BY THE AUTHORITY FROM THE FUND IN ACCORDANCE WITH § 6–624 OF THIS SUBTITLE AND QUALIFIED DONATIONS.

(C) (1) THE GOVERNING BODY OF A NONPROFIT INSTITUTION OF HIGHER EDUCATION MAY INVEST FUNDS DEPOSITED INTO THE RESEARCH ENDOWMENT IN A MANNER CONSISTENT WITH OTHER INSTITUTIONAL ENDOWMENTS MANAGED BY THE INSTITUTION.

(2) ANY INTEREST OR OTHER INVESTMENT EARNINGS ON THE FUNDS INVESTED ARE RETAINED BY THE NONPROFIT INSTITUTION OF HIGHER EDUCATION TO BE USED FOR THE PURPOSES SET FORTH IN THIS SUBTITLE.

(D) INVESTMENT EARNINGS ACCRUING TO THE RESEARCH ENDOWMENT OF A NONPROFIT INSTITUTION OF HIGHER EDUCATION MAY BE EXPENDED BY THE GOVERNING BODY OF THE INSTITUTION IF THE INVESTMENT EARNINGS ARE EXPENDED ONLY FOR THE ELIGIBLE USES DESIGNATED.

(E) THE GOVERNING BODY OF A NONPROFIT INSTITUTION OF HIGHER EDUCATION IS EXEMPT FROM LIABILITY FOR ANY LOSS OR DECREASE IN VALUE OF THE ASSETS OR INCOME OF A RESEARCH ENDOWMENT, UNLESS THE LOSSES

OR DECREASES IN VALUE RESULT FROM BAD FAITH, GROSS NEGLIGENCE, OR INTENTIONAL MISCONDUCT.

(F) THE GOVERNING BODY OF A NONPROFIT INSTITUTION OF HIGHER EDUCATION SHALL ISSUE RULES FOR THE ADMINISTRATION OF RESEARCH ENDOWMENTS THAT FULFILL THE PURPOSES AND REQUIREMENTS OF THIS SUBTITLE.

6–619.

(A) PRIVATE DONATIONS TO A RESEARCH ENDOWMENT SHALL BE CONSIDERED A QUALIFIED DONATION IF:

(1) THE DONATION OR PLEDGE IS EXPRESSLY OR SPECIFICALLY RESTRICTED BY THE DONOR FOR ONE OR MORE OF THE ELIGIBLE USES UNDER § 6–620 OF THIS SUBTITLE;

(2) THE INDIVIDUAL DONATION OR PLEDGE IS A MINIMUM OF $500,000 OR IS BUNDLED WITH OTHER QUALIFIED DONATIONS TO MEET THE $500,000 THRESHOLD; AND

(3) THE NONPROFIT INSTITUTION OF HIGHER EDUCATION ACCEPTS THE DONATION FROM INDIVIDUALS, PARTNERSHIPS, ASSOCIATIONS, PUBLIC OR PRIVATE FOR–PROFIT AND NONPROFIT CORPORATIONS, OR NONGOVERNMENTAL FOUNDATIONS.

(B) NOTWITHSTANDING SUBSECTION (A) OF THIS SECTION, A NONPROFIT INSTITUTION OF HIGHER EDUCATION MAY DESIGNATE UNRESTRICTED GIFTS OR BEQUESTS, OR A PORTION OF AN UNRESTRICTED GIFT OR BEQUEST, FOR USE AS A QUALIFIED DONATION.

(C) A QUALIFIED DONATION EXCLUDES:

(1) ANY DONATION RECEIVED BY A NONPROFIT INSTITUTION OF HIGHER EDUCATION PRIOR TO OCTOBER 1, 2014;

(2) EDUCATIONAL OR GENERAL FEES, AUXILIARY FEES, OR OTHER STUDENT FEES GENERATED BY THE INSTITUTION;

(3) PROCEEDS FROM PROMISSORY NOTES, BONDS, LOANS, OR OTHER INSTRUMENTS EVIDENCING AN INDEBTEDNESS OR ANY OTHER OBLIGATION OF REPAYMENT BY THE GOVERNING BODY OF A NONPROFIT INSTITUTION OF HIGHER EDUCATION TO THE MAKER OF THE INSTRUMENT; OR

(4) ANY OTHER FUNDS RECEIVED FROM THE STATE OR FEDERAL GOVERNMENT.

(D) (1) THE PRESIDENT OF EACH NONPROFIT INSTITUTION OF HIGHER EDUCATION OR THE PRESIDENT'S DESIGNEE SHALL MAKE THE INITIAL DETERMINATION OF WHETHER A DONATION CONSTITUTES A QUALIFIED DONATION.

(2) THE PRESIDENT OF THE NONPROFIT INSTITUTION OF HIGHER EDUCATION SHALL PROVIDE A REPORT TO THE GOVERNING BODY OF THE INSTITUTION AT LEAST ONCE EACH FISCAL YEAR REGARDING THE AMOUNT OF QUALIFIED DONATIONS THE INSTITUTION HAS RECEIVED.

6–620.

(A) ENDOWMENT PROCEEDS SHALL BE EXPENDED BY A NONPROFIT INSTITUTION OF HIGHER EDUCATION TO FURTHER BASIC AND APPLIED RESEARCH IN SCIENTIFIC AREAS AS DESIGNATED BY THE AUTHORITY THAT OFFER PROMISING AND SIGNIFICANT ECONOMIC IMPACTS AND THE OPPORTUNITY TO DEVELOP CLUSTERS OF TECHNOLOGICAL INNOVATION IN THE STATE, INCLUDING:

(1) CYBER TECHNOLOGY;

(2) ENERGY AND ENVIRONMENTAL SCIENCES;

(3) NANOTECHNOLOGY AND MATERIALS SCIENCE;

(4) ADVANCED MEDICAL AND PUBLIC HEALTH SCIENCE;

(5) QUANTUM COMPUTING AND QUANTUM ENGINEERING;

(6) TRANSPORTATION TECHNOLOGY, LOGISTICS, AND AUTONOMOUS SYSTEMS INTEGRATION;

(7) SPACE AND AEROSPACE SCIENCES;

(8) BIOMETRICS, SECURITY, SENSING, AND RELATED IDENTIFICATION TECHNOLOGIES;

(9) GERONTOLOGY;

(10) NEUROSCIENCES; OR

(11) LANGUAGE SCIENCES.

(B) ENDOWMENT PROCEEDS MAY BE EXPENDED BY A NONPROFIT INSTITUTION OF HIGHER EDUCATION FOR:

(1) THE PAYMENT OF THE BASE SALARIES OF NEWLY ENDOWED DEPARTMENT CHAIRS, NEW PROFESSORSHIP POSITIONS, NEW RESEARCH SCIENTISTS, OR NEW RESEARCH STAFF POSITIONS, INCLUDING RESEARCH TECHNICIANS AND SUPPORT PERSONNEL, AND TO FUND AFFILIATED GRADUATE OR UNDERGRADUATE STUDENT RESEARCH FELLOWSHIPS, IF THE POSITIONS OR FELLOWSHIPS ARE ENGAGED IN THE AREAS OF RESEARCH IDENTIFIED IN SUBSECTION (A) OF THIS SECTION; OR

(2) THE PURCHASE OF BASIC INFRASTRUCTURE, INCLUDING LABORATORY AND SCIENTIFIC EQUIPMENT OR OTHER ESSENTIAL EQUIPMENT AND MATERIALS, RELATED TO AN AREA OF RESEARCH IDENTIFIED IN SUBSECTION (A) OF THIS SECTION.

(C) AN INDIVIDUAL IN A POSITION THAT IS FUNDED BY ENDOWMENT PROCEEDS UNDER SUBSECTION (B)(1) OF THIS SECTION SHALL:

(1) WORK AT LEAST ONE DAY EACH WEEK IN SUPPORT OF A FEDERAL LABORATORY OR ASSOCIATED FEDERAL LABORATORY RESEARCH SUPPORT ORGANIZATION; OR

(2) HOLD A JOINT APPOINTMENT OR SECONDARY POSITION AT ANOTHER NONPROFIT INSTITUTION OF HIGHER EDUCATION IN THE STATE.

(D) THE AUTHORITY SHALL ISSUE ELIGIBILITY CRITERIA REGARDING THE EXPENDITURE OF ENDOWMENT PROCEEDS TO PAY THE BASE SALARIES OF PERSONNEL, FUND STUDENT FELLOWSHIPS, AND PURCHASE BASIC INFRASTRUCTURE.

6–621.

(A) THE GOVERNING BODY OF EACH NONPROFIT INSTITUTION OF HIGHER EDUCATION SHALL SUBMIT A RESEARCH ENDOWMENT PLAN TO THE AUTHORITY PRIOR TO SUBMITTING ITS FIRST REQUEST FOR A DISTRIBUTION OF MATCHING FUNDS FROM THE FUND.

(B) THE RESEARCH PLAN SHALL INCLUDE:

(1) ANY INFORMATION REQUESTED BY THE AUTHORITY TO ENSURE COMPLIANCE WITH THE REQUIREMENTS OF THIS SUBTITLE; AND

(2) A DEMONSTRATION OF INTEREST FROM QUALIFIED PRIVATE DONORS TO MEET THE CRITERIA ESTABLISHED BY THE AUTHORITY.

6–622. RESERVED.

6–623. RESERVED.

PART V. DISTRIBUTIONS FROM THE MARYLAND E–NNOVATION INITIATIVE FUND.

6–624.

(A) EXCEPT AS PROVIDED IN § 6–625 OF THIS SUBTITLE, THE AUTHORITY SHALL MAKE AVAILABLE NO MORE THAN 25% OF FUNDS IN THE FUND TO A SINGLE NONPROFIT INSTITUTION OF HIGHER EDUCATION TO MATCH QUALIFIED DONATIONS.

(B) A NONPROFIT INSTITUTION OF HIGHER EDUCATION SEEKING A DISTRIBUTION OF MATCHING FUNDS FROM THE FUND SHALL FIRST OBTAIN QUALIFIED DONATIONS IN AN AMOUNT EQUAL TO THE AMOUNT OF MATCHING FUNDS REQUESTED FOR DISTRIBUTION AND SHALL SUBMIT A REQUEST TO THE AUTHORITY.

(C) THE REQUEST SHALL INCLUDE:

(1) THE AMOUNT REQUESTED FOR DISTRIBUTION TO THE NONPROFIT INSTITUTION OF HIGHER EDUCATION IN ACCORDANCE WITH SUBSECTION (A) OF THIS SECTION;

(2) THE AMOUNT OF QUALIFIED DONATIONS DESIGNATED FOR USE IN REQUESTING THE DISTRIBUTION OF MATCHING FUNDS FROM THE FUND;

(3) AN EXPLANATION OF HOW THE PROPOSED USE SATISFIES THE CRITERIA FOR ELIGIBLE USES OF ENDOWMENT PROCEEDS UNDER § 6–620 OF THIS SUBTITLE;

(4) AN EXPLANATION OF HOW THE PROPOSED USE OF THE ENDOWMENT PROCEEDS FURTHERS THE PURPOSES OF THIS SUBTITLE AND

ADDRESSES THE RESEARCH NEEDS OF THE INSTITUTION AS IDENTIFIED IN THE RESEARCH PLAN; AND

(5) A DESIGNATION OF THE APPLICABLE RESEARCH ENDOWMENT INTO WHICH THE REQUESTED MATCHING FUNDS ARE TO BE DEPOSITED.

(D) THE AUTHORITY SHALL REVIEW EACH REQUEST FOR DISTRIBUTION OF MATCHING FUNDS FROM THE FUND FOR COMPLIANCE WITH THE PROVISIONS OF THIS SUBTITLE AND DEPARTMENT REGULATIONS.

(E) IF THE AUTHORITY APPROVES THE REQUEST OF A NONPROFIT INSTITUTION OF HIGHER EDUCATION, THE AUTHORITY SHALL DISTRIBUTE MATCHING FUNDS TO THE APPLICABLE RESEARCH ENDOWMENT IN AN AMOUNT EQUAL TO THE AMOUNT OF QUALIFIED DONATIONS.

6–625.

(A) EACH NONPROFIT INSTITUTION OF HIGHER EDUCATION SHALL DEPOSIT BY JULY 1, 2018, FOR TAX CREDITS ALLOCATED UNDER THIS SUBTITLE FOR CALENDAR YEAR 2014 OR BY JULY 1, 2020, FOR TAX CREDITS ALLOCATED UNDER THIS SUBTITLE FOR CALENDAR YEAR 2016 AN AMOUNT OF QUALIFIED DONATIONS EQUAL TO OR GREATER THAN THE TOTAL AMOUNT OF FUNDS ALLOCATED FOR DISTRIBUTION TO THE NONPROFIT INSTITUTION OF HIGHER EDUCATION IN ACCORDANCE WITH § 6–624 OF THIS SUBTITLE.

(B) IF A NONPROFIT INSTITUTION OF HIGHER EDUCATION FAILS TO HAVE DEPOSITED INTO ITS RESEARCH ENDOWMENTS THE REQUIRED AMOUNT OF QUALIFIED DONATIONS BY JULY 1, 2018, FOR TAX CREDITS ALLOCATED UNDER THIS SUBTITLE FOR CALENDAR YEAR 2014 OR BY JULY 1, 2020, FOR TAX CREDITS ALLOCATED UNDER THIS SUBTITLE FOR CALENDAR YEAR 2016, ANY PORTION OF THE FUNDS ALLOCATED TO THE INSTITUTION THAT HAS NOT BEEN DISTRIBUTED SHALL BE REALLOCATED TO ANOTHER NONPROFIT INSTITUTION OF HIGHER EDUCATION IN ACCORDANCE WITH THIS SUBTITLE.

(C) IF THE AUTHORITY FAILS TO ALLOCATE THE FUNDS IN THE FUND DERIVED FROM THE PURCHASES OF TAX CREDITS ALLOCATED UNDER THIS SUBTITLE FOR CALENDAR YEARS 2014 OR 2016 BY JULY 1, 2018, OR JULY 1, 2020, RESPECTIVELY, AND A NONPROFIT INSTITUTION OF HIGHER EDUCATION HAS PREVIOUSLY RECEIVED 25% OF THE FUNDS IN THE FUND, THE AUTHORITY MAY DISTRIBUTE ADDITIONAL FUNDS TO THE NONPROFIT INSTITUTION IN ACCORDANCE WITH THIS SUBTITLE.

6–626. RESERVED.

6–627. RESERVED.

PART VI. MISCELLANEOUS.

6–628.

(A) IN ANY CASE UNDER THE INSURANCE LAW OF THE STATE IN WHICH THE ASSETS OF A PURCHASER ARE EXAMINED OR CONSIDERED, THE DESIGNATED CAPITAL SHALL BE TREATED AS AN ADMITTED ASSET, SUBJECT TO THE SAME FINANCIAL RATING AS THAT HELD BY THE STATE.

(B) THE DEPARTMENT SHALL SUBMIT THE FOLLOWING TO THE MARYLAND INSURANCE ADMINISTRATION:

(1) THE NAMES, ADDRESSES, AND AMOUNT OF DESIGNATED CAPITAL TO BE CONTRIBUTED AND PREMIUM TAX CREDITS EARNED BY EACH SUCCESSFUL BIDDER WITHIN 30 DAYS AFTER THE CLOSE OF THE BIDDING PROCESS UNDER § 6–613 OF THIS SUBTITLE;

(2) A COPY OF THE TAX CREDIT CERTIFICATE ISSUED TO EACH PURCHASER WITHIN 30 DAYS AFTER THE ISSUANCE OF THE CERTIFICATE UNDER § 6–614 OF THIS SUBTITLE;

(3) THE OCCURRENCE OF A DEFAULT BY A PURCHASER; AND

(4) THE TRANSFER OF PREMIUM TAX CREDITS BY A PURCHASER.

6–629.

(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, DIVISION II OF THE STATE FINANCE AND PROCUREMENT ARTICLE DOES NOT APPLY TO A SERVICE THAT THE DEPARTMENT OBTAINS THAT IS RELATED TO THE INVESTMENT, MANAGEMENT, ANALYSIS, PURCHASE, OR SALE OF AN ASSET OF THE DEPARTMENT IN A TRANSACTION AUTHORIZED UNDER THIS SUBTITLE.

(B) THE DEPARTMENT IS SUBJECT TO TITLE 12, SUBTITLE 4 OF THE STATE FINANCE AND PROCUREMENT ARTICLE FOR SERVICES RELATED TO THE INVESTMENT, MANAGEMENT, ANALYSIS, PURCHASE, OR SALE OF ASSETS OF THE DEPARTMENT IN ANY TRANSACTION AUTHORIZED UNDER THIS SUBTITLE.

(C) SECTION 10–305 OF THE STATE FINANCE AND PROCUREMENT ARTICLE DOES NOT APPLY TO THE SALE, LEASE, TRANSFER, EXCHANGE, OR

OTHER DISPOSITION OF REAL OR PERSONAL PROPERTY, INCLUDING A SHARE OF STOCK IN A BUSINESS ENTITY, THAT THE DEPARTMENT ACQUIRES IN A TRANSACTION AUTHORIZED UNDER THIS SUBTITLE.

6–630.

THE DEPARTMENT SHALL ADMINISTER THIS SUBTITLE AND SHALL ADOPT REGULATIONS TO CARRY OUT THIS SUBTITLE.

6–631.

(A) (1) ON OR BEFORE JANUARY 1, 2016, AND JANUARY 1 OF EACH SUBSEQUENT YEAR, THE DEPARTMENT SHALL SUBMIT A REPORT ON THE IMPLEMENTATION OF THE PROGRAM TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE SENATE BUDGET AND TAXATION COMMITTEE AND THE HOUSE WAYS AND MEANS COMMITTEE.

(2) THE DEPARTMENT SHALL PUBLISH THE REPORT ON THE DEPARTMENT'S WEB SITE IN A PUBLICLY AVAILABLE FORMAT.

(3) THE REPORT PUBLISHED ON THE WEB SITE MAY NOT INCLUDE ANY PROPRIETARY OR CONFIDENTIAL INFORMATION.

(B) THE REPORT SHALL INCLUDE:

(1) WITH RESPECT TO EACH PURCHASER OF TAX CREDITS UNDER THE PROGRAM:

(I) THE NAME OF THE PURCHASER OF THE TAX CREDITS;

(II) THE AMOUNT OF TAX CREDITS ALLOCATED TO THE PURCHASER;

(III) THE AMOUNT OF DESIGNATED CAPITAL THE PURCHASER CONTRIBUTED FOR THE ISSUANCE OF THE TAX CREDIT CERTIFICATE; AND

(IV) THE AMOUNT OF ANY TAX CREDITS THAT HAVE BEEN TRANSFERRED UNDER § 6–615 OF THIS SUBTITLE; AND

(2) WITH RESPECT TO EACH NONPROFIT INSTITUTION OF HIGHER EDUCATION THAT HAS RECEIVED AN ALLOCATION OF FUNDS FROM THE FUND:

(I) THE NAME AND ADDRESS OF THE INSTITUTION;

(II) THE NAMES OF THE INDIVIDUALS MAKING DECISIONS ON BEHALF OF THE INSTITUTION REGARDING EXPENDITURE OF THE FUNDS ALLOCATED;

(III) THE AMOUNT OF FUNDS RECEIVED DURING THE PREVIOUS FISCAL YEAR;

(IV) THE CUMULATIVE AMOUNT OF FUNDS RECEIVED; AND

(V) THE AMOUNT OF FUNDS REMAINING UNSPENT AT THE END OF THE PREVIOUS FISCAL YEAR.

Article – Insurance

6–122.

An insurer may claim a tax credit for an investment of designated capital as provided under Title 6, Subtitle 5 **OR 6** of the Economic Development Article.

Article – State Finance and Procurement

6–226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

76. the Baltimore City Public School Construction Financing Fund; **[**and**]**

77. the Spay/Neuter Fund**; AND**

78. THE MARYLAND E–NNOVATION INITIATIVE FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2014.