

HOUSE BILL 943

C8

(5lr1825)

ENROLLED BILL

— *Economic Matters/Finance* —

Introduced by **The Speaker (By Request – Maryland Economic Development and Business Climate Commission) and Delegates Beitzel, Davis, ~~and Jones~~ Jones, Adams, Barkley, Branch, Brooks, Carey, Clippinger, Frick, Glenn, Jameson, Kramer, Lisanti, Valderrama, Vaughn, Waldstreicher, and C. Wilson**

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 _____

1 AN ACT concerning

2 **Economic Competitiveness and Commerce – Restructuring**

3 FOR the purpose of renaming the Department of Business and Economic Development to
4 be the Department of Economic Competitiveness and Commerce; renaming the
5 Secretary of Business and Economic Development to be the Secretary of Commerce;
6 establishing an Office of the Secretary of Commerce in the Office of the Governor;
7 specifying that the Secretary is the head of the Office and, the economic development
8 policy and implementation efforts in the State, ~~a certain unit,~~ and *the operations of*
9 *the Department; specifying that the Secretary oversees monitors certain units and*
10 certain corporations; requiring the Governor to appoint the Secretary; specifying the
11 authority and duties of the Secretary; requiring the Secretary to appoint an

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 Executive Director; specifying the qualifications and duties of the Executive
2 Director; specifying the duties of the Department; repealing the authority of the
3 Department to establish a certain publications account; providing that the Maryland
4 Economic Development Commission *advises the Secretary on economic development*
5 *policy in the State*, oversees the operations of the Department and its units, and
6 monitors the operations of the Maryland Economic Development Corporation *certain*
7 *corporations* and the Maryland Technology Development Corporation; expanding the
8 ~~members~~ altering the membership of the Commission; expanding the duties of the
9 Commission; ~~transferring the Maryland Life Sciences Advisory Board from the~~
10 Department of Business and Economic Development to the Maryland Technology
11 Development Corporation; altering the membership of the Life Sciences Advisory
12 Board; ~~requiring the Life Sciences Advisory Board to assist the Maryland Technology~~
13 Development Corporation in certain matters; transferring the Enterprise Fund,
14 Invest Maryland Program, and the Maryland Venture Fund Authority from the
15 Department of Business and Economic Development to the Maryland Technology
16 Development Corporation; *altering the application of certain laws and requirements*
17 *to certain transactions authorized under the Enterprise Fund*; requiring the
18 Authority to provide advice to and consult with the Maryland Technology
19 Development Corporation concerning certain matters; requiring the Maryland
20 Technology Development Corporation to allocate certain designated capital and
21 perform other duties for the Program; ~~altering the purpose of the Maryland~~
22 ~~Economic Development Corporation; requiring the Board of Directors of the~~
23 ~~Maryland Economic Development Corporation to establish a marketing advisory~~
24 ~~board composed of certain members; requiring the marketing advisory board to~~
25 ~~establish and operate a public-private partnership marketing group to carry out~~
26 ~~certain purposes; authorizing the Board of Directors of the Maryland Economic~~
27 ~~Development Commission to retain certain consultants; establishing the Economic~~
28 ~~Development Marketing Fund as a special, nonlapsing fund; requiring the Maryland~~
29 ~~Economic Development Corporation to administer the Fund; requiring the State~~
30 ~~Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying~~
31 ~~the contents of the Fund; specifying the purpose for which the Fund may be used;~~
32 ~~providing for the investment of money in and expenditures from the Fund; specifying~~
33 ~~that the Attorney General is the legal advisor to the Corporation for the~~
34 ~~administration of the Fund; authorizing the Corporation to retain any additional~~
35 ~~necessary lawyers for the administration of the Fund with the approval of the~~
36 ~~Attorney General; requiring a certain report of the Maryland Economic Development~~
37 ~~Corporation to include certain information~~ *expanding a certain authority of the*
38 *Maryland Economic Development Corporation*; altering the purpose of the Maryland
39 Technology Development Corporation; ~~increasing~~ altering the membership of the
40 Board of Directors of the Maryland Technology Development Corporation; requiring
41 the Attorney General to assign to the Maryland Technology Development
42 Corporation certain counsel; requiring certain counsel to the Maryland Technology
43 Development Corporation to perform certain duties; *establishing the Public-Private*
44 *Partnership Marketing Corporation and the Board of Directors of the Corporation;*
45 *providing that the Public-Private Partnership Marketing Corporation is a body*
46 *politic and corporate and is an instrumentality of the State; specifying the purposes*
47 *of the Public-Private Partnership Marketing Corporation; specifying the duties,*

1 membership, qualifications, terms, appointments, and removal of the members of the
2 Board of the Public-Private Partnership Marketing Corporation; specifying the
3 manner of electing the chair of the Board of the Public-Private Partnership Marketing
4 Corporation; requiring the Public-Private Partnership Marketing Corporation to
5 employ an Executive Director; specifying the duties of the Executive Director of the
6 Public-Private Partnership Marketing Corporation; establishing the Economic
7 Development Marketing Fund as a special, nonlapsing fund; requiring the
8 Public-Private Partnership Marketing Corporation to administer the Fund; requiring
9 the State Treasurer to hold the Fund and the Comptroller to account for the Fund;
10 specifying the contents of the Fund; specifying the purpose for which the Fund may be
11 used; providing for the investment of money in and expenditures from the Fund;
12 providing that a certain provision of law may not be construed to prevent the
13 Department from expending certain funds directly for marketing purposes; providing
14 that the Attorney General is the legal advisor to the Public-Private Partnership
15 Marketing Corporation; authorizing the Public-Private Partnership Marketing
16 Corporation to employ certain staff; specifying certain provisions of law from which
17 the Public-Private Partnership Marketing Corporation is exempt and to which the
18 Corporation is subject; specifying the authority of the Public-Private Partnership
19 Marketing Corporation; requiring the Public-Private Partnership Marketing
20 Corporation to report on certain matters to certain persons on or before a certain date
21 each year; ~~establishing the Public-Private Partnership Marketing Corporation and~~
22 ~~the Board of Directors of the Corporation; providing that the Public-Private~~
23 ~~Partnership Marketing Corporation is a body politic and corporate and is an~~
24 ~~instrumentality of the State; specifying the purposes of the Public-Private~~
25 ~~Partnership Marketing Corporation; specifying the duties, membership,~~
26 ~~qualifications, terms, appointments, and removal of the members of the Board of the~~
27 ~~Public-Private Partnership Marketing Corporation; specifying the manner in~~
28 ~~electing the chair of the Board of the Public-Private Partnership Marketing~~
29 ~~Corporation; requiring the Public-Private Partnership Marketing Corporation to~~
30 ~~employ an Executive Director; specifying the duties of the Executive Director;~~
31 ~~providing that the Attorney General is the legal advisor to the Public-Private~~
32 ~~Partnership Marketing Corporation; authorizing the Public-Private Partnership~~
33 ~~Marketing Corporation to employ certain staff; specifying the laws from which the~~
34 ~~Public-Private Partnership Marketing Corporation is exempt and to which the~~
35 ~~Corporation is subject; specifying the authority of the Public-Private Partnership~~
36 ~~Marketing Corporation; requiring the Public-Private Partnership Marketing~~
37 ~~Corporation to report on certain matters to certain persons on or before a certain~~
38 ~~date each year; establishing a Commerce Subcabinet; providing for the membership,~~
39 ~~duties, chair, and staffing of the Subcabinet; requiring the Subcabinet to meet each~~
40 month; providing that the Department of Economic Competitiveness and Commerce
41 is the successor of the Department of Business and Economic Development and that
42 the Executive Director of the Department of Economic Competitiveness and
43 Commerce is the successor of the Secretary of Business and Economic Development;
44 providing that certain names and titles of a certain unit and officials in laws and
45 other documents mean the names and titles of the successor unit and officials;
46 providing for the continuity of certain matters and persons; requiring the publisher
47 of the Annotated Code, in consultation with, and subject to the approval of, the

Department of Legislative Services, to make certain corrections; *specifying the manner in which certain members of the Maryland Economic Development Commission shall be appointed; declaring the intent of the General Assembly that certain funds be transferred by a budget amendment to the Maryland Public-Private Marketing Corporation and that the BioMaryland Center be transferred to the Maryland Technology Development Corporation on or before a certain date;* altering certain definitions; defining certain terms; *correcting certain cross-references; making certain conforming changes;* and generally relating to economic development and competitiveness and the restructuring and renaming of the Department of Business and Economic Development.

BY renumbering

Article – Economic Development

Section 2–117 through 2–123, respectively; ~~and~~ 2–201 through 2–207, respectively, and the subtitle “Subtitle 2. Maryland Economic Development Commission”; *and 6–502, 6–503, 6–509, 6–510, 6–515, 6–516, 6–524, and 6–525, respectively* to be Section 2.5–104 through 2.5–110, respectively; ~~and~~ 2.5–201 through 2.5–207, respectively, and the subtitle “Subtitle ~~2~~ 2.5. Maryland Economic Development Commission”; and 10–472, 10–473, 10–479, 10–480, 10–484, 10–485, 10–486, 10–494, and 10–495, respectively

Annotated Code of Maryland

(2008 Volume and 2014 Supplement)

BY repealing and reenacting, without amendments,

Article – Economic Development

Section 1–101(a) ~~and~~, 2–104 through 2–107, 2–109 through 2–111, 2–113, 2–115, 2–116, 3–202, 3–204, 3–205, ~~6–505 through 6–507, 6–520, 6–523,~~ 9–101(a), 10–101(a), (b), and (d), 10–104(a), 10–104, 10–110, 10–132, 10–401, 10–404, and ~~10–404~~ 10–406 through 10–415

Annotated Code of Maryland

(2008 Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 1–101(c) and (f) to be under the amended division “Division I. Secretary of Commerce and Department of Economic Competitiveness and Commerce”; 2–102, 2–103, 2–108, 2–112, and 2–114 to be under the amended title “Title 2. Secretary of Commerce” and the amended subtitle “Subtitle 1. Office of the Secretary”; ~~3–201 through 3–204, 3–203, 5–601 through 5–603, 6–501, 6–504, 6–508 through 6–508, 6–511 through 6–514, 6–517 through 6–519, 6–521, 6–522, 6–523, 6–526 through 6–529, 9–101(c) and (e), 10–104(b) and (c), 10–110, 10–111(a), 10–115, 10–132,~~ 10–402, ~~and~~ 10–403, and 10–405

Annotated Code of Maryland

(2008 Volume and 2014 Supplement)

BY repealing

Article – Economic Development

1 Section 2-101 ~~and 2.5-109~~; the subtitle designation “Subtitle 6. Enterprise Fund”
 2 immediately preceding Section 5-601; and the subtitle designation “Subtitle
 3 5. Invest Maryland Program” immediately preceding Section 6-501

4 Annotated Code of Maryland
 5 (2008 Volume and 2014 Supplement)

6 BY adding to

7 Article – Economic Development

8 Section 2-101; and 10-901 through 10-912 to be under the new subtitle “Subtitle 9.
 9 Maryland Public-Private Partnership Marketing Corporation”; ~~and 10-901~~
 10 ~~through 10-911 to be under the new subtitle “Subtitle 9. Public-Private~~
 11 ~~Partnership Marketing Corporation”;~~ 10-109.1, 10-114.1, 10-117.1; and the
 12 new part “Part VII. Enterprise Fund and Invest Maryland Program”
 13 immediately preceding Section 10-468

14 Annotated Code of Maryland
 15 (2008 Volume and 2014 Supplement)

16 BY adding to

17 Article – Economic Development

18 Section 2.5-101, 2.5-102, and 2.5-103 to be under the new title “Title 2.5.
 19 Department of Economic Competitiveness and Commerce”

20 Annotated Code of Maryland
 21 (2008 Volume and 2014 Supplement)
 22 (As enacted by Section 1 of this Act)

23 BY repealing and reenacting, without amendments,

24 Article – Economic Development

25 Section 2.5-105, 2.5-107, ~~2.5-108, 2.5-109~~, 2.5-201, 2.5-205, and 2.5-207

26 Annotated Code of Maryland
 27 (2008 Volume and 2014 Supplement)
 28 (As enacted by Section 1 of this Act)

29 BY repealing and reenacting, with amendments,

30 Article – Economic Development

31 Section 2.5-104, 2.5-106, ~~2.5-108~~, 2.5-110, 2.5-202, 2.5-203, 2.5-204, and 2.5-206

32 Annotated Code of Maryland
 33 (2008 Volume and 2014 Supplement)
 34 (As enacted by Section 1 of this Act)

35 BY repealing

36 Article – Economic Development

37 Section 2.5-109

38 Annotated Code of Maryland
 39 (2008 Volume and 2014 Supplement)
 40 (As enacted by Section 1 of this Act)

41 BY repealing and reenacting, without amendments,

1 Article – State Finance and Procurement
 2 Section 6–226(a)(2)(i)
 3 Annotated Code of Maryland
 4 (2009 Replacement Volume and 2014 Supplement)

5 BY repealing and reenacting, with amendments,
 6 Article – State Finance and Procurement
 7 Section 6–226(a)(2)(ii)81. and 82.
 8 Annotated Code of Maryland
 9 (2009 Replacement Volume and 2014 Supplement)

10 BY adding to
 11 Article – State Finance and Procurement
 12 Section 6–226(a)(2)(ii)83.
 13 Annotated Code of Maryland
 14 (2009 Replacement Volume and 2014 Supplement)

15 BY repealing and reenacting, without amendments,
 16 Article – State Government
 17 Section 8–201(a)
 18 Annotated Code of Maryland
 19 (2014 Replacement Volume)

20 BY repealing and reenacting, with amendments,
 21 Article – State Government
 22 Section 8–201(b)(4)
 23 Annotated Code of Maryland
 24 (2014 Replacement Volume)

25 BY adding to
 26 Article – State Government
 27 Section 9–3101 through 9–3104 to be under the new subtitle “Subtitle 31. Commerce
 28 Subcabinet”
 29 Annotated Code of Maryland
 30 (2014 Replacement Volume)

31 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 32 That Section(s) 2–117 through 2–123, respectively; ~~and~~ 2–201 through 2–207, respectively,
 33 and the subtitle “Subtitle 2. Maryland Economic Development Commission”; ~~and~~ 6–502,
 34 6–503, 6–509, 6–510, 6–515, 6–516, 6–524, and 6–525, respectively, of Article – Economic
 35 Development of the Annotated Code of Maryland be renumbered to be Section(s) 2.5–104
 36 through 2.5–110, respectively; ~~and~~ 2.5–201 through 2.5–207, respectively, and the subtitle
 37 “Subtitle ~~2~~ 2.5. Maryland Economic Development Commission”; ~~and~~ 10–472, 10–473,
 38 10–479, 10–480, 10–484, 10–485, ~~10–486~~, 10–494, and 10–495, respectively.

39 SECTION 1A. AND BE IT FURTHER ENACTED, That the subtitle designation
 40 “Subtitle 6. Enterprise Fund” immediately preceding Section 5–601 of Article – Economic

1 Development, and the subtitle designation “Subtitle 5. Invest Maryland Program”
2 immediately preceding Section 6–501 of Article – Economic Development be repealed.

3 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
4 as follows:

5 **Article – Economic Development**

6 Division I. [Department of Business and Economic Development.] **SECRETARY OF**
7 **COMMERCE AND DEPARTMENT OF ECONOMIC COMPETITIVENESS AND**
8 **COMMERCE.**

9 1–101.

10 (a) In this division the following words have the meanings indicated.

11 (c) “Department” means the Department of [Business and Economic
12 Development] **ECONOMIC COMPETITIVENESS AND COMMERCE.**

13 (f) “Secretary” means the Secretary of [Business and Economic Development]
14 **COMMERCE.**

15 Title 2. [Department of Business and Economic Development.] **SECRETARY OF**
16 **COMMERCE.**

17 Subtitle 1. [Organization and General Authority of Department.] **OFFICE OF THE**
18 **SECRETARY.**

19 [2–101.

20 There is a Department of Business and Economic Development, which is a principal
21 department of the State government.]

22 **2–101.**

23 **(A) THERE IS AN OFFICE OF THE SECRETARY OF COMMERCE IN THE**
24 **OFFICE OF THE GOVERNOR.**

25 **(B) THE HEAD OF THE OFFICE IS THE SECRETARY.**

26 **(C) (1) THE SECRETARY IS THE HEAD OF ECONOMIC DEVELOPMENT**
27 **POLICY AND IMPLEMENTATION EFFORTS IN THE STATE.**

1 **(2) THE SECRETARY IS THE HEAD OF AND IS RESPONSIBLE FOR THE**
 2 **OPERATIONS OF THE DEPARTMENT OF ECONOMIC COMPETITIVENESS AND**
 3 **COMMERCE ESTABLISHED UNDER TITLE 2.5 OF THIS ARTICLE.**

4 **(D) (1) THE SECRETARY ALSO ~~OVERSEES~~ MONITORS THE OPERATIONS**
 5 **OF:**

6 **(I) THE MARYLAND ~~TECHNOLOGY~~ ECONOMIC DEVELOPMENT**
 7 **CORPORATION ESTABLISHED UNDER TITLE 10, SUBTITLE 4 1 OF THIS ARTICLE; ~~AND~~**

8 **(II) THE MARYLAND ~~PUBLIC-PRIVATE PARTNERSHIP~~**
 9 **~~MARKETING~~ TECHNOLOGY DEVELOPMENT CORPORATION ESTABLISHED UNDER**
 10 **TITLE 10, SUBTITLE 9 4 OF THIS ARTICLE; AND**

11 **(III) THE MARYLAND PUBLIC-PRIVATE PARTNERSHIP**
 12 **MARKETING CORPORATION ESTABLISHED UNDER TITLE 10, SUBTITLE 9 OF THIS**
 13 **ARTICLE.**

14 **(2) NOTHING IN THIS SUBSECTION MAY BE CONSTRUED TO LIMIT THE**
 15 **INDEPENDENCE OR OPERATIONS OF THESE CORPORATIONS.**

16 2-102.

17 (a) [(1)] The Governor shall appoint the Secretary of [Business and Economic
 18 Development] **COMMERCE** with the advice and consent of the Senate.

19 **[(2) The Secretary is the head of the Department.]**

20 (b) Before taking office, the appointee shall take the oath required by Article I, §
 21 9 of the Maryland Constitution.

22 (c) (1) The Secretary serves at the pleasure of the Governor and is responsible
 23 directly to the Governor.

24 (2) The Secretary shall advise the Governor on all matters assigned to the
 25 [Department] **THE UNITS UNDER THE JURISDICTION OF THE SECRETARY** and is
 26 responsible for carrying out the Governor's policies on matters assigned to the
 27 [Department] **THE UNITS UNDER THE JURISDICTION OF THE SECRETARY.**

28 (d) The Secretary is entitled to the compensation provided in the State budget.

29 2-103.

30 (a) The Secretary[:

1 (1) is responsible for the operation of the Department; and

2 (2)] shall:

3 (1) CONSULT WITH AND ADVISE SECRETARIES OF OTHER PRINCIPAL
4 DEPARTMENTS ON COORDINATION OF THE ACTIVITIES OF THE DEPARTMENTS THAT
5 RELATE TO ECONOMIC DEVELOPMENT POLICY AND IMPLEMENTATION EFFORTS IN
6 THE STATE;

7 (2) establish guidelines and procedures to promote the orderly and efficient
8 administration of the Department; AND

9 (3) MONITOR THE ACTIVITIES OF AND COORDINATE POLICY FOR:

10 (I) THE MARYLAND ~~TECHNOLOGY~~ ECONOMIC DEVELOPMENT
11 CORPORATION; AND

12 (II) THE MARYLAND ~~PUBLIC PRIVATE PARTNERSHIP~~
13 MARKETING TECHNOLOGY DEVELOPMENT CORPORATION; AND

14 (III) THE MARYLAND PUBLIC-PRIVATE PARTNERSHIP
15 MARKETING CORPORATION.

16 (b) The Secretary may establish, reorganize, or abolish areas of responsibility in
17 the office of the Secretary as necessary to fulfill effectively the duties assigned to the
18 Secretary.

19 2-104.

20 The Secretary shall have a seal.

21 2-105.

22 (a) With the approval of the Governor, the Secretary shall appoint a deputy
23 secretary.

24 (b) The deputy secretary:

25 (1) serves at the pleasure of the Secretary; and

26 (2) is entitled to the compensation provided in the State budget.

27 (c) The deputy secretary shall have the duties provided by law or delegated by
28 the Secretary.

29 2-106.

1 (a) In accordance with the State budget, the Secretary may employ a staff and
2 retain professional consultants in the office of the Secretary.

3 (b) The Secretary may designate a staff assistant to be in charge of a particular
4 area of responsibility in the office of the Secretary.

5 (c) (1) Each staff assistant in the office of the Secretary in charge of a
6 particular area of responsibility and each professional consultant is appointed by and
7 serves at the pleasure of the Secretary.

8 (2) Unless otherwise provided by law, the Secretary shall appoint and
9 remove all other employees in the office of the Secretary in accordance with the provisions
10 of the State Personnel and Pensions Article that govern skilled service or professional
11 service employees with the exception of special appointments.

12 2-107.

13 (a) The appointment or removal of personnel by a unit under the jurisdiction of
14 the Department is subject to the approval of the Secretary.

15 (b) The Secretary may delegate the approval authority under subsection (a) of
16 this section to the head or governing body of the unit.

17 2-108.

18 (a) The Secretary shall adopt regulations for the office of the Secretary.

19 (b) (1) Subject to § [2-206] **2.5-206** of this [title] **ARTICLE**, the Secretary
20 shall review regulations of a unit under the jurisdiction of the Department.

21 (2) The Secretary may approve, disapprove, or revise regulations of a unit.

22 2-109.

23 The Secretary is responsible for the budget of the office of the Secretary and for the
24 budget of each unit under the jurisdiction of the Department.

25 2-110.

26 (a) The Secretary is responsible for the coordination and direction of all planning
27 activities that the office of the Secretary initiates.

28 (b) The Secretary shall keep fully apprised of and may approve, disapprove, or
29 modify the plans, proposals, and projects of units under the jurisdiction of the Department.

30 2-111.

1 The Secretary may not remove an appointee to a particular office in the Department
2 without first obtaining the Governor's approval if the law provides that:

3 (1) the Secretary is required to make the appointment with the consent of
4 the Governor; and

5 (2) the appointee:

6 (i) serves at the pleasure of the Secretary; or

7 (ii) may be removed by the Secretary with or without cause.

8 2-112.

9 The Secretary may call a meeting of any unit under the jurisdiction of the
10 [Department] **SECRETARY** to consider any subject.

11 2-113.

12 (a) This section does not apply to a power, duty, responsibility, or function that is
13 granted to the Maryland Economic Development Commission under Subtitle 2 of this title.

14 (b) The Secretary may exercise any power, duty, responsibility, or function of any
15 unit under the jurisdiction of the Department.

16 2-114.

17 Except as otherwise provided by law, each unit under the jurisdiction of the
18 [Department] **SECRETARY** shall report to the Secretary or to the Secretary's designee as
19 provided in the regulations or written directives of the Secretary.

20 2-115.

21 (a) In accordance with the State budget, the Secretary may set the compensation
22 of a Department employee in a position that:

23 (1) is unique to the Department;

24 (2) requires specific skills or experience to perform the duties of the
25 position; and

26 (3) does not require the employee to perform functions that are comparable
27 to functions performed in other units of the Executive Branch of State government.

28 (b) The Secretary of Budget and Management shall determine:

1 (1) position categories for special appointments in the Department; and

2 (2) in consultation with the Secretary, the positions for which the Secretary
3 may set compensation under subsection (a) of this section.

4 2–116.

5 (a) This section does not apply to a unit under the jurisdiction of the Department
6 to the extent that the unit is authorized by law to employ its own legal counsel.

7 (b) The Attorney General is the legal adviser to the Department.

8 (c) The Attorney General shall assign to the Department the number of assistant
9 Attorneys General that are authorized by law for the Department and its units.

10 (d) (1) The Attorney General shall designate one of the assistant Attorneys
11 General assigned to the Department as counsel to the Department and may not reassign
12 that individual without consulting with the Secretary.

13 (2) The counsel may only:

14 (i) advise the Secretary, the Maryland Economic Development
15 Commission, and any other official of the Department as they require;

16 (ii) supervise the other assistant Attorneys General assigned to the
17 Department; and

18 (iii) perform for the Department the other duties that the Attorney
19 General assigns.

20 (3) The other assistant Attorneys General shall perform for the
21 Department the other duties that the Attorney General assigns.

22 **TITLE 2.5. DEPARTMENT OF ECONOMIC COMPETITIVENESS AND COMMERCE.**

23 **SUBTITLE 1. ORGANIZATION AND GENERAL AUTHORITY OF THE DEPARTMENT.**

24 **2.5–101.**

25 **(A) THERE IS A DEPARTMENT OF ECONOMIC COMPETITIVENESS AND**
26 **COMMERCE.**

27 **(B) THE DEPARTMENT IS A PRINCIPAL DEPARTMENT OF STATE**
28 **GOVERNMENT.**

29 **2.5–102.**

1 **THE SECRETARY:**

2 (1) **IS THE HEAD OF THE DEPARTMENT; AND**

3 (2) **IS RESPONSIBLE FOR THE OPERATIONS OF THE DEPARTMENT.**

4 **2.5-103.**

5 (A) (1) **THE SECRETARY SHALL EMPLOY AN EXECUTIVE DIRECTOR.**

6 (2) **THE EXECUTIVE DIRECTOR:**

7 (I) **SERVES AT THE PLEASURE OF THE SECRETARY; AND**

8 (II) **IS ENTITLED TO COMPENSATION PROVIDED IN THE STATE**
9 **BUDGET.**

10 (B) (1) **THE EXECUTIVE DIRECTOR SHALL MANAGE THE OPERATIONS OF**
11 **THE DEPARTMENT ON BEHALF OF THE SECRETARY.**

12 (2) **THE EXECUTIVE DIRECTOR:**

13 (I) **SHALL ADVISE THE SECRETARY ON ALL MATTERS ASSIGNED**
14 **TO THE DEPARTMENT; AND**

15 (II) **IS RESPONSIBLE FOR CARRYING OUT THE SECRETARY'S**
16 **POLICIES ON MATTERS ASSIGNED TO THE DEPARTMENT.**

17 (C) **THE EXECUTIVE DIRECTOR SHALL HAVE EXPERIENCE WITH AND**
18 **POSSESS QUALIFICATIONS RELEVANT TO THE ACTIVITIES AND PURPOSES OF THE**
19 **DEPARTMENT.**

20 **2.5-104.**

21 (a) Except as otherwise provided by law, the Secretary:

22 (1) shall determine the organizational structure of the Department; and

23 (2) may create or abolish units in the Department.

24 (b) (1) The Governor or the Secretary may establish advisory or
25 decision-making units for the Department.

1 (2) The units shall advise and assist the Secretary on the policies,
2 programs, and activities of the Department.

3 (3) The Governor or the Secretary shall determine the size, qualifications,
4 method of appointment, terms, compensation, manner of removal, and method of filling
5 vacancies of the units.

6 **(C) (1) THE SECRETARY SHALL ESTABLISH REGIONAL OFFICES IN THE**
7 **LOCAL JURISDICTIONS.**

8 **(2) THE REGIONAL OFFICES SHALL:**

9 **(I) ADVISE THE SECRETARY ON WHETHER THE ECONOMIC**
10 **NEEDS OF EACH LOCAL JURISDICTION ARE BEING ADDRESSED; AND**

11 **(II) COORDINATE WITH MUNICIPAL AND LOCAL ECONOMIC**
12 **DEVELOPMENT AGENCIES.**

13 2.5–105.

14 To attract and encourage business development and serve the needs of business, the
15 Department shall:

16 (1) advance the economic welfare of the public through programs and
17 activities that develop in a proper manner the natural resources and economic
18 opportunities of the State;

19 (2) promote and encourage the location and creation of new industries and
20 businesses in the State and encourage the retention and expansion of existing industries;

21 (3) support the creation of new businesses and the growth of existing
22 businesses in the State by improving their quality, productivity, and competitive position
23 in the global marketplace;

24 (4) assist the growth and revitalization of small businesses;

25 (5) support the growth of the State and regional economies by providing
26 consulting, technical assistance, and liaison activities on business and economic
27 development issues;

28 (6) promote the development of international trade activities;

29 (7) assist businesses and employees through training and other
30 employment services;

1 (8) promote regulatory reform and coordinate efforts with other State and
2 local units; and

3 (9) foster and develop employment opportunities for residents of the State.

4 2.5–106.

5 The Department shall:

6 (1) investigate and assemble information about the economic development,
7 industrial opportunities, and economic resources of the State, including raw materials,
8 power and water resources, transportation facilities, markets, labor, banking and financing
9 facilities, industrial sites, and other fields of research;

10 (2) encourage location and development of new businesses in the State and
11 the retention and expansion of present enterprises in coordination with local governments
12 and local economic development units;

13 (3) encourage formation of local and sectional development committees and
14 cooperate with local civic groups and other local, State, and federal development units;

15 (4) disseminate information in the interest of industrial development in the
16 State, by publication, advertising, and other means;

17 (5) assist businesses in the areas of technology development and
18 commercialization, small business development, workforce development and productivity,
19 manufacturing modernization, and defense conversion;

20 (6) serve as an ombudsman for businesses affected by State policies and
21 programs;

22 (7) coordinate business assistance service delivery to individual companies;

23 (8) link groups of businesses to address regional and industry specific
24 needs;

25 (9) broker information exchange and entrepreneurial services that
26 enhance economic development through partnerships with businesses, not-for-profit
27 organizations, professional groups, local economic development entities, and local
28 governments;

29 (10) assist in developing and conducting regional strategic planning and
30 coordinating State investments with regional economic development entities;

31 (11) collect and assemble information and data available from other State
32 units OR INSTRUMENTALITIES;

1 (12) monitor economic conditions, release reports, and maintain
2 interindustry models of State regulations and local economies;

3 (13) use community colleges in the State to help deliver services;

4 (14) administer the programs in the Department; [and]

5 (15) coordinate its efforts and activities with the Apprenticeship and
6 Training Council and Apprenticeship and Training Program in the Department of Labor,
7 Licensing, and Regulation;

8 **(16) ESTABLISH AND MONITOR PERFORMANCE MEASURES TO**
9 **DETERMINE THE SUCCESS OF OUTREACH EFFORTS TO BUSINESSES; ~~AND~~**

10 **(17) FACILITATE REGULAR MEETINGS AMONG ITS REGIONAL EXPERTS,**
11 **FINANCIAL INCENTIVE TEAM, AND TOURISM DEVELOPMENT TEAM TO DETERMINE**
12 **THE SUCCESS IN MEETING OVERALL ECONOMIC DEVELOPMENT STRATEGIC GOALS**
13 **AND IN ADDRESSING THE ECONOMIC DEVELOPMENT NEEDS OF EACH REGION; AND**

14 **(18) WORK WITH COMMUNITY COLLEGES TO ENHANCE THE ROLE OF**
15 **COMMUNITY COLLEGES IN PROVIDING WORKFORCE TRAINING SERVICES,**
16 **INCLUDING INDUSTRY-SPECIFIC EDUCATION AND TRAINING IN RESPONSE TO THE**
17 **NEEDS OF THE STATE.**

18 2.5-107.

19 (a) The Department shall support industry-led regional technology councils that
20 help private enterprises attempting to establish or expand manufacturing and
21 technology-based businesses.

22 (b) The Department may:

23 (1) select an entity as the regional technology council for a particular
24 region; and

25 (2) determine the geographic areas that constitute a region for purposes of
26 this section.

27 (c) The Department may support a regional technology council through grants,
28 loans, in-kind assistance, advice, or other assistance.

29 2.5-108.

30 (a) To the extent practicable, the Department shall use pertinent data obtained
31 from units **OR INSTRUMENTALITIES** of the State when collecting and assembling
32 information.

1 (b) Except to the extent that disclosure is prohibited by law, the Department has
 2 access to all records, data, information, and statistics of other units OR
 3 INSTRUMENTALITIES of the State.

4 ~~2.5-100.~~

5 ~~(a) The Department may establish a consolidated publications account.~~

6 ~~(b) The Department may place in the account excess revenues that remain at the~~
 7 ~~end of the fiscal year that are derived from publications of the Department or its units.~~

8 ~~(c) The Department may only use the account to produce, distribute, and promote~~
 9 ~~publications, including free publications, of the Department and its units.~~

10 ~~(d) (1) Any unexpended money in the account at the end of a fiscal year not~~
 11 ~~exceeding \$40,000:~~

12 ~~(i) does not revert to the General Fund of the State; but~~

13 ~~(ii) shall be maintained as a special fund.~~

14 ~~(2) Any unexpended money in the account at the end of a fiscal year~~
 15 ~~exceeding \$40,000 reverts to the General Fund under § 7-302 of the State Finance and~~
 16 ~~Procurement Article.~~

17 ~~2.5-110.~~ 2.5-109.

18 (a) In this section, “economic development program” means:

19 (1) each of the economic development and financial assistance programs
 20 established under Title 5 of this article; and

21 (2) each of the tax credit programs administered by the Department,
 22 including:

23 (i) the Film Production Activity Tax Credit;

24 (ii) the Job Creation Tax Credit;

25 (iii) the One Maryland Economic Development Tax Credit;

26 (iv) [the Invest Maryland Program;

27 (v)] the Biotechnology Investment Incentive Tax Credit; and

1 [(vi)] (v) the Research and Development Tax Credit.

2 (b) The Department shall compile data in accordance with this section on the
3 economic development programs administered by the Department.

4 (c) On or before December 31, 2013, and each year thereafter, the Department
5 shall submit a report on the economic development programs that were administered by
6 the Department during the previous fiscal year to the Governor and, in accordance with §
7 2-1246 of the State Government Article, the General Assembly.

8 (d) (1) The report required under this section shall include the following data,
9 if applicable, on the economic development programs administered by the Department:

10 (i) the number of jobs created;

11 (ii) the number of jobs retained;

12 (iii) the estimated amount of State revenue generated; and

13 (iv) any additional information required by the Department through
14 regulations.

15 (2) The report required under this section shall include data in the
16 aggregate and disaggregated by:

17 (i) each economic development program; and

18 (ii) each recipient of assistance from an economic development
19 program.

20 (e) If a recipient of assistance from an economic development program is not
21 meeting the requirements of the economic development program, the Department shall
22 implement a process to assist the recipient in meeting the program requirements.

23 2.5-201.

24 In this subtitle, "Commission" means the Maryland Economic Development
25 Commission.

26 2.5-202.

27 (a) There is a Maryland Economic Development Commission ~~in~~ **STAFFED BY** the
28 Department.

29 (b) The purpose of the Commission is to:

1 (1) establish economic development policy in the State; ~~and~~

2 (2) ADVISE THE SECRETARY ON ECONOMIC DEVELOPMENT POLICY IN
3 THE STATE;

4 (3) oversee the OPERATIONS OF THE ~~DEPARTMENT~~ DEPARTMENT AND
5 ITS UNITS, INCLUDING THE Department's efforts to support the creation of, attract, and
6 retain businesses and jobs; AND

7 ~~(3)~~ (4) MONITOR THE OPERATIONS OF THE MARYLAND
8 TECHNOLOGY DEVELOPMENT CORPORATION AND, THE MARYLAND ECONOMIC
9 DEVELOPMENT CORPORATION, AND THE MARYLAND PUBLIC-PRIVATE
10 PARTNERSHIP MARKETING CORPORATION, INCLUDING THE EFFORTS OF THOSE
11 ENTITIES TO SUPPORT THE CREATION, ATTRACTION, AND RETENTION OF
12 BUSINESSES AND JOBS.

13 2.5-203.

14 (a) (1) (i) The Commission consists of:

15 1. not more than ~~25~~ 21 voting members appointed by the
16 Governor with the advice and consent of the Senate;

17 2. TWO VOTING MEMBERS APPOINTED BY THE
18 PRESIDENT OF THE SENATE OF MARYLAND;

19 3. TWO VOTING MEMBERS APPOINTED BY THE SPEAKER
20 OF THE HOUSE OF DELEGATES;

21 4. A. ONE MEMBER OF THE SENATE OF MARYLAND,
22 DESIGNATED BY THE PRESIDENT OF THE SENATE; AND

23 B. ONE MEMBER OF THE HOUSE OF DELEGATES,
24 DESIGNATED BY THE SPEAKER OF THE HOUSE[.]; AND

25 ~~3~~ 5. THE FOLLOWING REPRESENTATIVES OF STATE UNITS
26 AND INSTRUMENTALITIES OF THE STATE:

27 A. THE EXECUTIVE DIRECTOR OF THE MARYLAND
28 ECONOMIC DEVELOPMENT CORPORATION, OR THE EXECUTIVE DIRECTOR'S
29 DESIGNEE;

1 B. THE EXECUTIVE DIRECTOR OF THE MARYLAND
 2 TECHNOLOGY DEVELOPMENT CORPORATION, OR THE EXECUTIVE DIRECTOR'S
 3 DESIGNEE;

4 ~~B. THE SECRETARY OF HOUSING AND COMMUNITY~~
 5 ~~DEVELOPMENT, OR THE SECRETARY'S DESIGNEE;~~

6 C. THE SECRETARY OR THE SECRETARY'S DESIGNEE;
 7 AND

8 ~~C. D. THE SECRETARY OF LABOR, LICENSING, AND~~
 9 ~~REGULATION, OR THE SECRETARY'S DESIGNEE;~~

10 ~~D. THE ADMINISTRATOR OF THE STATE HIGHWAY~~
 11 ~~ADMINISTRATION OR THE ADMINISTRATOR'S DESIGNEE; AND~~

12 ~~E. THE SECRETARY OF THE ENVIRONMENT OR THE~~
 13 ~~SECRETARY'S DESIGNEE.~~

14 (ii) The Secretary, THE SECRETARY OF LABOR, LICENSING, AND
 15 REGULATION OR THEIR DESIGNEES [is a], STATE UNIT OR INSTRUMENTALITY
 16 REPRESENTATIVES, AND MEMBERS OF THE GENERAL ASSEMBLY ARE nonvoting ex
 17 officio [member] MEMBERS of the Commission.

18 (iii) A DESIGNEE UNDER SUBPARAGRAPH ~~(1)3~~ (1)5 OF THIS
 19 PARAGRAPH MAY BE AN ADMINISTRATOR OR A SENIOR OFFICIAL OF THE UNIT OR
 20 INSTRUMENTALITY.

21 (2) The geographic representation of the Commission shall cover the entire
 22 State and shall include at least one representative from:

- 23 (i) the upper Eastern Shore;
- 24 (ii) the lower Eastern Shore;
- 25 (iii) Calvert County, Charles County, or St. Mary's County;
- 26 (iv) Allegany County or Garrett County; and
- 27 (v) Carroll County, Frederick County, or Washington County.

28 (3) When appointing Commission members, the Governor shall consider
 29 geographic and industry representation.

1 (4) The members appointed shall reflect the racial and gender diversity of
2 the population of the State.

3 (b) The appointed members of the Commission shall have substantial interest or
4 experience in business or knowledge of business and economic development.

5 (c) The Commission and its members are subject to the Maryland Public Ethics
6 Law.

7 (d) (1) The term of an appointed member is 3 years.

8 (2) At the end of a term, [a] **AN APPOINTED** member continues to serve
9 until a successor is appointed and qualifies.

10 (3) A member appointed after a term has begun serves only for the
11 remainder of the term and until a successor is appointed and qualifies.

12 (4) The terms of the **APPOINTED** members are staggered as required by
13 the terms provided for members of the Commission on October 1, 2008.

14 (5) A member may be removed by the Governor with or without cause.

15 2.5–204.

16 (a) The Governor shall designate a chair or co–chairs from the voting members of
17 the Commission.

18 (b) The Commission may elect an executive committee **OR FORM SPECIAL**
19 **SUBCOMMITTEES** from its members to exercise the powers and functions of the
20 Commission between meetings of the Commission.

21 2.5–205.

22 (a) (1) The Commission shall meet as often as its duties require, but not less
23 than quarterly.

24 (2) The chair or co–chairs shall designate a time and place for meetings of
25 the Commission.

26 (b) A majority of the voting members of the Commission is a quorum.

27 (c) A voting member of the Commission:

28 (1) may not receive compensation as a member of the Commission; but

1 (2) is entitled to reimbursement in accordance with the Standard State
2 Travel Regulations as provided in the State budget.

3 (d) The Department shall provide staff support to the Commission.

4 2.5–206.

5 (a) The Commission may:

6 (1) adopt bylaws for the conduct of its business;

7 (2) hire consultants; and

8 (3) do anything necessary or convenient to carry out its powers and the
9 purposes of this subtitle.

10 (b) The Commission shall:

11 (1) develop and update an economic development strategic plan for the
12 State;

13 (2) seek ideas and advice from each region of the State to develop the
14 economic development strategic plan;

15 (3) incorporate into the economic development strategic plan the Maryland
16 Port Administration strategic plan developed for the Helen Delich Bentley Port of
17 Baltimore;

18 (4) recommend to the Governor **AND THE SECRETARY** the program and
19 spending priorities needed to implement the economic development strategic plan;

20 (5) review the allocation of financing incentives;

21 (6) participate in [marketing the State and] encouraging new businesses
22 to locate in the State;

23 (7) seek contributions from the private sector to supplement economic
24 development programs and financial incentives to business; [and]

25 (8) **CONDUCT PERIODIC REVIEWS OF THE ECONOMIC DEVELOPMENT**
26 **ACTIVITIES OF THE DEPARTMENT, THE MARYLAND ECONOMIC DEVELOPMENT**
27 **CORPORATION, ~~AND~~ THE MARYLAND TECHNOLOGY DEVELOPMENT**
28 **CORPORATION, AND THE MARYLAND PUBLIC-PRIVATE PARTNERSHIP MARKETING**
29 **CORPORATION FOR COMPLIANCE WITH THE ECONOMIC DEVELOPMENT STRATEGIC**
30 **PLAN;**

1 **(9) MAKE RECOMMENDATIONS TO THE GOVERNOR AND THE**
2 **SECRETARY TO IMPROVE ECONOMIC DEVELOPMENT ACTIVITIES THAT FAIL TO**
3 **ACHIEVE ECONOMIC DEVELOPMENT STRATEGIC GOALS OR ARE INCONSISTENT WITH**
4 **PRIORITIES UNDER THE ECONOMIC DEVELOPMENT STRATEGIC PLAN; AND**

5 **[(8)] (10)** carry out other economic development activities that the
6 Governor **OR THE SECRETARY** requests.

7 (c) The Commission may spend money raised under subsection (b) of this section
8 only in accordance with the State budget.

9 (d) Departmental regulations that pertain to financing programs shall be
10 approved by the Commission before adoption.

11 **(E) THE DEPARTMENT MAY NOT SUBMIT A BUDGET REQUEST BEFORE THE**
12 **COMMISSION REVIEWS THE REQUEST.**

13 2.5–207.

14 (a) On or before January 15 of each year, the Commission shall report to the
15 General Assembly, in accordance with § 2–1246 of the State Government Article, on its
16 activities during the previous year.

17 (b) The report shall include a review of initiatives taken by the Commission and
18 the Department to implement the economic development strategic plan.

19 3–201.

20 (a) In this subtitle the following words have the meanings indicated.

21 (b) “Advisory Board” means the Maryland Life Sciences Advisory Board.

22 (c) **“CORPORATION” MEANS THE MARYLAND TECHNOLOGY**
23 **DEVELOPMENT CORPORATION.**

24 **(D)** “Life sciences” includes the fields of biotechnology, pharmaceuticals,
25 biomedical technologies, life systems technologies, food sciences, environmental sciences,
26 and biomedical devices.

27 3–202.

28 (a) There is a Maryland Life Sciences Advisory Board in the ~~Department~~
29 **CORPORATION.**

(b) The purpose of the Advisory Board is to recommend State and federal policies, priorities, practices, and legislation to expedite the creation of private sector jobs through the commercialization of life sciences research.

3–203.

(a) The Advisory Board consists of the following ~~18~~ **19** members:

(1) the Secretary **OR THE SECRETARY'S DESIGNEE;**

(2) [a representative] **THE EXECUTIVE DIRECTOR** of the [Maryland Technology Development] ~~Corporation~~ **DEPARTMENT**, [designated by the Maryland Technology Development Corporation] **OR THE EXECUTIVE DIRECTOR'S DESIGNEE; and**

(3) **THE EXECUTIVE DIRECTOR OF THE CORPORATION, OR THE EXECUTIVE DIRECTOR'S DESIGNEE; AND**

(4) the following members appointed by the Governor:

(i) three representing federal agencies located in the State with life sciences missions;

(ii) seven with executive experience in life sciences businesses located in the State, at least four of whom represent small businesses;

(iii) four representing institutions of higher education located in the State, one of whom shall represent a community college;

(iv) one with general business marketing experience in a life sciences business located in the State; and

(v) one member of the general public.

(b) The composition of the Advisory Board shall reflect the racial and gender diversity of the population of the State.

(c) (1) Except for the Secretary **OR THE SECRETARY'S DESIGNEE, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE, AND THE EXECUTIVE DIRECTOR OF THE CORPORATION OR THE EXECUTIVE DIRECTOR'S DESIGNEE,** the term of an Advisory Board member is 2 years.

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

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

1 (d) The Governor may remove a member of the Advisory Board for incompetence,
2 misconduct, or failure to perform the duties of the position.

3 (e) The Governor shall select a chair from among the members of the Advisory
4 Board.

5 (f) The Advisory Board may act with an affirmative vote of eight members.

6 (g) A member of the Advisory Board:

7 (1) may not receive compensation as a member of the Advisory Board; but

8 (2) is entitled to reimbursement for expenses under the Standard State
9 Travel Regulations, as provided in the State budget.

10 3–204.

11 (a) The Advisory Board shall assist the ~~Department~~ CORPORATION in:

12 (1) developing a comprehensive State strategic plan for life sciences;

13 (2) promoting life sciences research, development, commercialization, and
14 manufacturing in the State;

15 (3) promoting collaboration and coordination among life sciences
16 organizations in the State;

17 (4) promoting collaboration and coordination among research institutions
18 of higher education in the State;

19 (5) developing a strategy to coordinate State and federal resources to
20 attract private sector investment and job creation in the life sciences;

21 (6) developing a strategy to support federal life sciences facilities located
22 in the State, including support for education, transportation, housing, and capital
23 investment needs; and

24 (7) making recommendations to address critical needs in the life sciences,
25 including access to venture capital and capital construction funding.

26 (b) In performing its duties, the Advisory Board shall give due consideration to
27 the business, scientific, medical, and ethical aspects of the life sciences industry.

28 3–205.

1 (a) The Advisory Board shall report to the Governor and, in accordance with §
2 2–1246 of the State Government Article, to the General Assembly on or before December
3 15 of each year.

4 (b) The report shall include any recommendations from the Advisory Board and
5 a summary of the activities of the Advisory Board during the preceding year.

6 10–466. RESERVED.

7 10–467. RESERVED.

8 PART VII. ENTERPRISE FUND AND INVEST MARYLAND PROGRAM.

9 [5–601.] 10–468.

10 (A) In this subtitle[,] THE FOLLOWING WORDS HAVE THE MEANINGS
11 INDICATED.

12 (B) “CORPORATION” MEANS THE MARYLAND TECHNOLOGY
13 DEVELOPMENT CORPORATION.

14 (C) “Fund” means the Enterprise Fund established under [§ 5–602] § 10–469 of
15 this subtitle.

16 [5–602.] 10–469.

17 (a) There is an Enterprise Fund in the [Department] CORPORATION.

18 (b) The [Department] CORPORATION may use the Fund to:

19 (1) make a grant or loan, at the rate of interest set by the [Department]
20 CORPORATION;

21 (2) provide equity investment financing for a business enterprise;

22 (3) guarantee a loan, equity, investment, or other private financing to
23 expand the capital resources of a business enterprise;

24 (4) purchase advisory services and technical assistance to better support
25 economic development;

26 (5) pay the [Department’s] CORPORATION’S obligations to a venture firm
27 under the Invest Maryland Program, as provided under [§ 6–522(c)(2)(i)] §
28 10–492(C)(2)(I) of this [article] SUBTITLE; and

1 (6) pay the administrative, legal, and actuarial expenses of the
2 [Department] CORPORATION.

3 (c) The [Secretary] CORPORATION shall manage and supervise the Fund.

4 (d) (1) The Fund is a special, nonlapsing revolving fund that is not subject to
5 reversion under § 7-302 of the State Finance and Procurement Article.

6 (2) The Treasurer shall hold the Fund and the Comptroller shall account
7 for it.

8 (e) [(1) Except as provided in paragraph (2) of this subsection, Division II of the
9 State Finance and Procurement Article does not apply to a service that the Department
10 obtains that is related to the investment, management, analysis, purchase, or sale of an
11 asset of the Department in a transaction authorized under this subtitle, including a
12 commission related to the transfer of a share of stock in a business entity.

13 (2) The Department is subject to Title 12, Subtitle 4 of the State Finance
14 and Procurement Article for services related to the investment, management, analysis,
15 purchase, or sale of assets of the Department in any transaction authorized under this
16 subtitle, including commissions related to the transfer of shares of stock in a business
17 entity.

18 (f) (1) Section 10-305 of the State Finance and Procurement Article does not
19 apply to the sale, lease, transfer, exchange, or other disposition of real or personal property,
20 including a share of stock in a business entity, that the Department acquires in a
21 transaction authorized under this subtitle.

22 (2) The Department shall consult with the Treasurer in connection with
23 the proposed disposition of property that the Department acquires under this subtitle.

24 (g) The Fund consists of:

25 (1) money appropriated by the State to the Fund;

26 (2) money made available to the Fund through federal programs or private
27 contributions;

28 (3) repayment of principal of a loan made from the Fund;

29 (4) payment of interest on a loan made from the Fund;

30 (5) proceeds from the sale, disposition, lease, or rental by the [Department]
31 CORPORATION of collateral related to financing that the [Department] CORPORATION
32 provides under this subtitle;

1 (6) premiums, fees, royalties, interest, repayments of principal, and
2 returns on investments paid to the [Department] CORPORATION by or on behalf of:

3 (i) a business enterprise in which the [Department]
4 CORPORATION has made an investment under this subtitle; or

5 (ii) an investor providing an investment guaranteed by the
6 [Department] CORPORATION under this subtitle;

7 (7) recovery of an investment made by the [Department] CORPORATION
8 in a business enterprise under this subtitle, including an arrangement under which the
9 [Department's] CORPORATION'S investment in the business enterprise is recovered
10 through:

11 (i) a requirement that the [Department] CORPORATION receive a
12 proportion of cash flow, commission, royalty, or payment on a patent; or

13 (ii) the repurchase from the [Department] CORPORATION of any
14 evidence of financial participation, including a note, stock, bond, or debenture;

15 (8) repayment of a conditional grant extended by the [Department]
16 CORPORATION;

17 (9) money deposited into the Fund under [§ 6-522(c)(2)(i)] §
18 10-492(C)(2)(I) of this [article] SUBTITLE; and

19 (10) any other money made available to the [Department] CORPORATION
20 for the Fund.

21 [(h)] (F) (1) The Treasurer shall invest money in the Fund in the same
22 manner as other State money.

23 (2) Any investment earnings of the Fund shall be credited to the Fund.

24 [(i) Unless the Secretary determines otherwise, money in the Fund that was
25 generated by a particular unit in the Department shall be allocated for the use of that unit.]

26 [5-603.] 10-470.

27 (a) The [Department] CORPORATION may require that all or part of a grant be
28 repaid, with interest at a rate the [Department] CORPORATION sets, when conditions
29 specified by the [Department] CORPORATION occur.

30 (b) (1) Whenever the [Department] CORPORATION is authorized by law to
31 make a grant, including a grant from the Economic Development Opportunities Program

1 Account authorized under § 7-314 of the State Finance and Procurement Article, the
2 [Department] CORPORATION may use money appropriated for the grant to make an
3 equity investment in a business enterprise.

4 (2) (i) Except as provided in subparagraph (ii) of this paragraph, in
5 making an equity investment under this subtitle, the [Department] CORPORATION may
6 not acquire an ownership interest in an enterprise that exceeds 25%.

7 (ii) In making an equity investment under this subtitle in one or
8 more venture or private equity firms, the [Department] CORPORATION may acquire an
9 ownership interest exceeding 25%.

10 (3) Within 15 years after making an equity investment under this subtitle,
11 the [Department] CORPORATION shall divest itself of that investment.

12 (4) The liability of the State and the [Department] CORPORATION in
13 making an equity investment under this subtitle is limited to the amount of that
14 investment.

15 (5) The [Department] CORPORATION shall adopt regulations governing
16 equity investments under this subsection that specify:

17 (i) the types of business enterprises in which an investment may be
18 made;

19 (ii) the basic standards an enterprise shall meet to qualify for an
20 investment;

21 (iii) the amount of money available for investment; and

22 (iv) the criteria that the [Department] CORPORATION uses to make
23 investment decisions.

24 ~~6-501.~~ 10-471.

25 (a) In this subtitle the following words have the meanings indicated.

26 (b) (1) “Affiliate” means:

27 (i) a person who, directly or indirectly, beneficially owns, controls,
28 or holds power to vote 15% or more of the outstanding voting securities or other voting
29 ownership interests of a venture firm or an insurance company; or

30 (ii) a person, 15% or more of whose outstanding voting securities or
31 other voting ownership interests is directly or indirectly beneficially owned, controlled, or
32 held with power to vote by a venture firm or an insurance company.

1 (2) “Affiliate” does not include an insurance company that becomes a
2 purchaser in accordance with an allocation of investment tax credits under the Program
3 solely by reason of the allocation.

4 (c) “Allocation amount” means the total amount of tax credits allocated to a
5 purchaser.

6 (d) “Allocation date” means the date on which tax credits are allocated to a
7 purchaser under ~~§ 6-513~~ **§ 10-483** of this subtitle.

8 (e) “Authority” means the Maryland Venture Fund Authority established under
9 § 6-504 of this subtitle.

10 (f) **“CORPORATION” MEANS THE MARYLAND TECHNOLOGY**
11 **DEVELOPMENT CORPORATION.**

12 (G) “Designated capital” means the amount of money that a purchaser invests
13 under the Program.

14 [(g)] (H) “Enterprise Fund” means the Enterprise Fund under ~~Title 5, Subtitle 6~~
15 ~~of this article~~ **THIS PART.**

16 [(h)] (I) “Financing Authority” means the Maryland Small Business
17 Development Financing Authority under Title 5, Subtitle 5 of this article.

18 [(i)] (J) “Insurance premium tax liability” means:

19 (1) any liability incurred by an insurance company under Title 6, Subtitle
20 1 of the Insurance Article as of October 1, 2011; or

21 (2) if the liability referred to in item (1) of this subsection is eliminated or
22 reduced, any other tax liability that has been imposed by the State on the insurance
23 company as of October 1, 2011, not to exceed the amount of the liability eliminated or
24 reduced.

25 [(j)] (K) “Premium tax credit” means a credit against insurance premium tax
26 liability offered to a purchaser under the Program.

27 [(k)] (L) “Program” means the Invest Maryland Program under this subtitle.

28 [(l)] (M) “Purchaser” means:

29 (1) an insurance company that:

30 (i) is authorized to do business in the State;

1 (ii) has insurance premium tax liability; and

2 (iii) contributes designated capital to purchase an allocation of
3 premium tax credits under the Program; or

4 (2) a holding company that:

5 (i) has at least one insurance company subsidiary authorized to do
6 business in the State; and

7 (ii) is contributing designated capital on behalf of one or more of
8 these subsidiaries.

9 **[(m)] (N)** “Qualified business” means a business that, at the time of the first
10 investment in the business under the Program:

11 (1) has its principal business operations located in the State and intends to
12 maintain its principal business operations in the State after receiving an investment under
13 the Program;

14 (2) has agreed to use the qualified investment primarily to:

15 (i) support business operations in the State; or

16 (ii) in the case of a start-up company, establish and support business
17 operations in the State;

18 (3) has not more than 250 employees; and

19 (4) is not primarily engaged in:

20 (i) retail sales;

21 (ii) real estate development;

22 (iii) the business of insurance, banking, or lending; or

23 (iv) the provision of professional services by accountants, attorneys,
24 or physicians.

25 **[(n)] (O)** (1) “Qualified distribution” means a distribution or payment by a
26 venture firm of the State’s proportionate allocation of costs in connection with:

27 (i) the reasonable costs and expenses of organizing and syndicating
28 the venture firm, including fees paid for professional services, up to a maximum aggregate
29 amount of \$125,000;

1 (ii) reasonable and necessary fees paid for ongoing professional
2 services, including legal and accounting services, related to the operation of the venture
3 firm, up to a maximum aggregate amount of \$50,000 in a single year; and

4 (iii) a yearly management fee in an amount that does not exceed 2.5%
5 of the designated capital allocated to the venture firm.

6 (2) “Qualified distribution” does not include any costs and expenses related
7 to lobbying or government relations.

8 [(o)] (P) (1) “Qualified investment” means the direct or indirect investment
9 of cash by the Enterprise Fund or the Financing Authority in a qualified business for the
10 purchase of any of the following:

11 (i) a share of stock or other equity interest;

12 (ii) a debt instrument that is convertible into equity; or

13 (iii) an equity participation instrument such as an option or warrant.

14 (2) A qualified investment includes the direct or indirect investment of
15 cash by a venture firm based on the investment criteria set forth in this subtitle.

16 [(p)] (Q) “Side car affiliate” means an entity controlled by or under common
17 control with a venture firm that is formed solely for the purpose of investing alongside the
18 venture firm.

19 [(q)] (R) “Venture firm” means a partnership, corporation, trust, or limited
20 liability company, whether organized on a profit or a not-for-profit basis, that is certified
21 by the [Department] CORPORATION as meeting the criteria established under ~~§ 6-518~~ §
22 10-484 of this subtitle.

23 ~~6-504.~~ 10-474.

24 There is a Maryland Venture Fund Authority in the [Department] CORPORATION.

25 ~~6-505.~~ 10-475.

26 (a) The Authority consists of the following nine members:

27 (1) seven members appointed by the Governor with the advice and consent
28 of the Senate;

29 (2) one member appointed by the President of the Senate; and

1 (3) one member appointed by the Speaker of the House.

2 (b) (1) Of the seven members appointed by the Governor:

3 (i) 1. at least four shall have experience in working with
4 companies that have raised investment capital for seed-stage to venture-stage companies
5 or in providing professional services to the venture capital industry; and

6 2. one of the four members selected under item 1 of this item
7 shall have experience in higher education research and development and technology
8 transfer projects;

9 (ii) at least one shall have experience as a small business owner;

10 (iii) at least one shall have experience as a business executive that
11 has raised venture capital investments; and

12 (iv) at least one shall be a resident of a rural county in the State.

13 (2) The Governor shall consider the geographic diversity of the State when
14 appointing members.

15 (c) The members appointed by the President and the Speaker:

16 (1) may not be elected officials; and

17 (2) shall have experience and expertise in venture capital investments.

18 (d) Each member shall be a resident of the State.

19 (e) (1) The term of a member is 4 years.

20 (2) At the end of a term, a member continues to serve until a successor is
21 appointed.

22 (3) A member who is appointed after a term has begun serves only for the
23 rest of the term and until a successor is appointed.

24 (4) A member appointed by the Governor may be removed by the Governor
25 with or without cause.

26 (5) The terms of the members are staggered as required by the terms
27 provided for members of the Authority on July 1, 2011.

28 (f) A member of the Authority may not have any financial interest in a purchaser,
29 qualified business, or venture firm.

1 ~~6-506.~~ 10-476.

2 (a) The Governor shall appoint a chair from among the members.

3 (b) The Authority shall determine the manner of election of officers and their
4 terms of office.

5 ~~6-507.~~ 10-477.

6 (a) (1) Five members of the Authority are a quorum.

7 (2) An act of the Authority must be approved by a majority vote of the
8 members attending a meeting at which a quorum is present.

9 (b) A member of the Authority:

10 (1) may not receive compensation as a member of the Authority; but

11 (2) is entitled to reimbursement for expenses under the Standard State
12 Travel Regulations, as provided in the State budget.

13 (c) A member of the Authority shall file a public disclosure of financial interests
14 as required under the Maryland Public Ethics Law.

15 ~~6-508.~~ 10-478.

16 The Authority shall provide advice to and consult with the [Department]
17 CORPORATION in connection with the administration of the Program under this subtitle.

18 ~~6-511.~~ 10-481.

19 (a) All designated capital from purchasers shall be deposited into the Enterprise
20 Fund to be invested as provided in this subtitle.

21 (b) The [Department] CORPORATION shall allocate designated capital as
22 follows:

23 (1) 67% to one or more venture firms to fund the making of qualified
24 investments based on the criteria set forth in this subtitle, provided, that not more than
25 20% of this amount may be invested in the side car fund affiliates of the venture firms; and

26 (2) 33% to the Enterprise Fund, to be allocated:

27 (i) \$250,000 to the Rural Maryland Council for its operational
28 expenses;

1 (ii) 75% of the remaining amount to fund the making of qualified
2 investments in qualified businesses under the existing policies and procedures of the
3 Enterprise Fund ~~under Title 5, Subtitle 6 of this article~~; and

4 (iii) 25% of the remaining amount to the Financing Authority Equity
5 Participation Investment Program, to be invested in qualified businesses in accordance
6 with the policies and procedures of the Financing Authority under Title 5, Subtitle 5, Part
7 V of this article.

8 (c) It is the goal of the State that a portion of the designated capital received
9 under subsection (b)(2)(ii) of this section be used to make qualified investments in qualified
10 businesses located in rural areas of the State.

11 (d) As soon as practicable after the [Department] CORPORATION receives each
12 installment of designated capital, the [Department] CORPORATION and each venture firm
13 that has been allocated designated capital shall enter into a contract under which the
14 allocated amount of designated capital will be transferred by the [Department]
15 CORPORATION to the venture firm for investment as provided in this subtitle.

16 (e) The [Department] CORPORATION shall secure the commitment of the
17 purchasers in accordance with ~~§ 6-512~~ § 10-482 of this subtitle.

18 ~~6-512.~~ 10-482.

19 (a) The Authority shall obtain the services of an independent third party to
20 conduct a bidding process in order to secure purchasers for the Program as provided in this
21 section.

22 (b) Using the procedures adopted by the independent third party, each potential
23 purchaser shall make a timely and irrevocable offer, subject only to the [Department's]
24 CORPORATION'S issuance to the purchaser of tax credit certificates, to make specified
25 contributions of designated capital to the [Department] CORPORATION on the dates
26 specified in ~~§ 6-513(a)~~ § 10-483(A) of this subtitle.

27 (c) The offer shall include:

28 (1) the requested amount of tax credits, which may not be less than
29 \$1,000,000;

30 (2) the potential purchaser's specified contribution for each tax credit
31 dollar requested, which may not be less than the greater of:

32 (i) 70% of the requested dollar amount of tax credits; or

1 (ii) the percentage of the requested dollar amount of tax credits that
2 the Secretary, on the recommendation of the independent third party, determines to be
3 consistent with market conditions as of the offer date; and

4 (3) any other information the independent third party requires.

5 (d) (1) The deadline for submission of applications for tax credits is February
6 1, 2012.

7 (2) Each potential purchaser shall receive a written notice from the
8 [Department] CORPORATION not later than May 1, 2012, indicating whether or not it has
9 been approved as a purchaser and, if so, the amount of tax credits allocated.

10 (e) The maximum amount of premium tax credits that may be allocated under
11 this subtitle for all years in which premium tax credits are allocated is \$100,000,000.

12 ~~6-513~~ 10-483.

13 (a) Designated capital committed by a purchaser shall be paid to the Enterprise
14 Fund [of the Department] in three equal yearly installments due on June 1 of 2012, 2013,
15 and 2014.

16 (b) On receipt of each installment of designated capital, the [Department]
17 CORPORATION shall issue to each purchaser a tax credit certificate representing a fully
18 vested credit against insurance premium tax liability equal to one-third of the total
19 premium tax credits allocated to the purchaser.

20 (c) The [Department] CORPORATION shall issue tax credit certificates to
21 purchasers in accordance with the bidding process selected by the independent third party
22 on behalf of the Authority under ~~§ 6-512~~ § 10-482 of this subtitle.

23 (d) The tax credit certificate shall state:

24 (1) the total amount of premium tax credits that the purchaser may claim;

25 (2) the amount of designated capital that the purchaser has contributed in
26 return for the issuance of the tax credit certificate;

27 (3) the dates on which the tax credits will be available for use by the
28 purchaser;

29 (4) any penalties or other remedies for noncompliance;

30 (5) the procedures to be used for transferring the tax credits; and

1 (6) any other requirements the [Department] CORPORATION considers
2 necessary.

3 (e) (1) A tax credit certificate may not be issued to any purchaser that fails to
4 make a contribution of designated capital within the time the [Department]
5 CORPORATION specifies.

6 (2) A purchaser that fails to make a contribution of designated capital
7 within the time the [Department] CORPORATION specifies shall be subject to a penalty
8 equal to 10% of the amount of designated capital that remains unpaid, payable to the
9 [Department] CORPORATION within 30 days after demand by the [Department]
10 CORPORATION.

11 (3) The [Department] CORPORATION may offer to reallocate the
12 defaulted designated capital among the other purchasers, so that the result after
13 reallocation is the same as if the initial allocation had been performed without considering
14 the premium tax credit allocation to the defaulting purchaser.

15 (4) If the reallocation of designated capital results in the contribution by
16 another purchaser or purchasers of the amount of designated capital not contributed by the
17 defaulting purchaser, then the [Department] CORPORATION may waive the penalty
18 provided under this subsection.

19 (5) (i) A purchaser that fails to make a contribution of designated
20 capital within the time specified may avoid the imposition of the penalty by transferring
21 the allocation of tax credits to a new or existing purchaser within 30 days after the due date
22 of the defaulted installment.

23 (ii) Any transferee of an allocation of tax credits of a defaulting
24 purchaser under this section shall agree to make the required contribution of designated
25 capital within 30 days after the date of the transfer.

26 (6) (i) The [Department] CORPORATION in its sole discretion may
27 purchase insurance or make other financial arrangements in order to ensure the
28 availability of the full amount of designated capital committed by purchasers.

29 (ii) The [Department] CORPORATION shall disclose any purchase
30 of insurance or other similar financial arrangement under this paragraph in the annual
31 report required under ~~§ 6-529~~ **§ 10-499** of this subtitle.

32 ~~6-514~~ **10-484**.

33 (a) (1) Subject to the restriction in paragraph (2) of this subsection, a
34 purchaser may claim the premium tax credit on a premium tax return filed after December
35 31, 2014, for a taxable year that begins on or after January 1, 2014.

1 (2) In each calendar year from 2015 through 2019, a purchaser may claim
2 up to 20% of the premium tax credit allocated to that purchaser.

3 (b) (1) The credit to be applied against insurance premium tax liability in any
4 1 year may not exceed the insurance premium tax liability of the purchaser for that taxable
5 year.

6 (2) Any unused credit against insurance premium tax liability may be:

7 (i) carried forward indefinitely until the premium tax credits are
8 used; and

9 (ii) used by the purchaser without restriction during any calendar
10 year after 2019.

11 (3) On 30 days' advance notice to the [Department] CORPORATION,
12 premium tax credits allocated to a purchaser under this subtitle may be transferred
13 without further restriction to any other entity that:

14 (i) meets the definition of a purchaser;

15 (ii) is in good standing with the Maryland Insurance Administration;
16 and

17 (iii) agrees to assume all of the transferor's obligations under the
18 Program.

19 (c) A purchaser claiming a credit against insurance premium tax liability earned
20 through an investment under the Program is not required to pay any additional tax as a
21 result of claiming the credit.

22 (d) A purchaser is not required to reduce the amount of premium tax included by
23 the purchaser in connection with rate-making for any insurance contract written in the
24 State because of a reduction in the purchaser's insurance premium tax derived from the
25 credit granted under this subtitle.

26 ~~6-517.~~ 10-487.

27 (a) Subject to the approval of the [Department] CORPORATION, the Authority
28 shall obtain the services of an independent third party to:

29 (1) establish application procedures for an entity to be certified as a
30 venture firm; and

31 (2) review and evaluate applications for venture firm certification under
32 this section.

1 (b) The independent third party selected by the Authority shall:

2 (1) review and evaluate the application, organizational documents, and
3 business history of each applicant;

4 (2) evaluate whether the applicant is likely to achieve the investment
5 criteria set forth in this subtitle; and

6 (3) recommend to the Authority which venture firms should receive
7 allocations of designated capital under the Program.

8 (c) (1) On receiving the recommendations of the independent third party
9 selected under subsection (a) of this section and subject to ~~§ 6-518~~ **§ 10-488** of this subtitle,
10 the Authority shall select venture firms to receive allocations of designated capital that are
11 consistent with the investment criteria set forth in this subtitle.

12 (2) The Authority shall ensure that the venture firms receiving designated
13 capital for investment under this subtitle make investments in the State that equal or
14 exceed the amount of designated capital received under this subtitle.

15 (3) Subject to the approval of the [Department] CORPORATION, the
16 Authority may enter into written agreements, including partnership agreements and side
17 agreements, that are necessary to carry out the purposes of this ~~subtitle~~ **PART**.

18 ~~6-518~~ **10-488**.

19 (a) In selecting applicants for venture firm certification, the Authority shall
20 consider:

21 (1) the management structure of the applicant, including:

22 (i) the investment experience of the principals;

23 (ii) the applicant's reputation in the venture firm industry and the
24 applicant's ability to attract co-investment capital and syndicate investments in qualified
25 businesses in the State;

26 (iii) the knowledge, experience, and capabilities of the applicant in
27 subject areas relevant to venture-stage businesses in the State;

28 (iv) the tenure and turnover history of principals and senior
29 investment professionals of the applicant; and

- 1 (v) whether the State's investment in the applicant under this
2 program would exceed 15% of the total invested in the applicant by all investors, including
3 investments in any side car fund affiliates;
- 4 (2) the applicant's investment strategy, including:
- 5 (i) the applicant's track record of investing in venture-stage
6 businesses;
- 7 (ii) the applicant's history of attracting co-investment capital and
8 syndicate investments;
- 9 (iii) the soundness of the applicant's investment strategy and the
10 compatibility of that strategy with business opportunities in the State; and
- 11 (iv) the applicant's history of job creation through investment;
- 12 (3) the applicant's commitment to making investments, that to the fullest
13 extent possible:
- 14 (i) create employment opportunities in the State;
- 15 (ii) lead to the growth of the State economy and qualified businesses
16 in the State;
- 17 (iii) complement the research and development projects of State
18 academic institutions; and
- 19 (iv) foster the development of technologies and industries that
20 present opportunities for the growth of qualified businesses in the State; and
- 21 (4) the applicant's commitment to the State, including:
- 22 (i) the applicant's presence in the State through permanent local
23 offices or affiliation with local investment firms;
- 24 (ii) the local presence of senior investment professionals;
- 25 (iii) the applicant's history of investing in venture-stage businesses
26 in the State;
- 27 (iv) the applicant's ability to identify investment opportunities
28 through working relationships with State research and development institutions and
29 State-based businesses;
- 30 (v) the applicant's relationship with other venture firms in the
31 region;

1 (vi) the applicant's history of investing in areas relevant to
2 venture-stage businesses in the State; and

3 (vii) the applicant's commitment to investing a similar or greater
4 amount of designated capital received under this subtitle in State-based ventures and
5 qualified businesses.

6 (b) (1) An applicant shall file an application with the [Department]
7 CORPORATION in the form required by the [Department] CORPORATION.

8 (2) The application shall include the applicant's most recent financial
9 statements.

10 (3) The [Department] CORPORATION shall begin accepting applications
11 for certification on or before January 1, 2012.

12 (4) An application for certification may not be accepted after May 1, 2012.

13 (c) To be certified as a venture firm:

14 (1) the applicant must have, at the time of application, an equity
15 capitalization, net assets, or written commitments of at least \$500,000 in the form of cash
16 or cash equivalents; and

17 (2) at least two principals or persons employed to direct the investment of
18 the designated capital of the applicant must have at least 5 years of money management
19 experience in the venture capital or private equity sectors.

20 (d) Not later than 90 days after an application is filed, the Secretary shall either:

21 (1) issue the certification; or

22 (2) refuse to issue the certification and communicate in detail to the
23 applicant the grounds for the refusal.

24 ~~6-519.~~ **10-489.**

25 (a) (1) A business that is classified as a qualified business at the time of the
26 first investment in the business by a venture firm, the Enterprise Fund, or the Financing
27 Authority remains classified as a qualified business and may receive follow-on investments
28 from a venture firm, the Enterprise Fund, or the Financing Authority.

29 (2) Except as provided in paragraph (3) of this subsection, a follow-on
30 investment made under this subsection is a qualified investment even though the business
31 does not meet the definition of a qualified business at the time of the follow-on investment.

1 (3) With respect to an investment by the Enterprise Fund or the Financing
2 Authority, a follow-on investment does not qualify as a qualified investment if, at the time
3 of the follow-on investment, the qualified business no longer has its principal business
4 operations in the State.

5 (b) Each venture firm shall inform the [Department] CORPORATION in writing
6 when the venture firm requires designated capital for investment or for the payment of
7 approved fees and expenses.

8 ~~6-520.~~ 10-490.

9 (a) A purchaser or affiliate may not directly or indirectly:

10 (1) manage a venture firm;

11 (2) beneficially own, through rights, options, convertible interests, or
12 otherwise, more than 15% of the voting securities or other voting ownership interest of a
13 venture firm; or

14 (3) control the direction of investments for a venture firm.

15 (b) Subsection (a) of this section applies whether or not the purchaser or affiliate
16 is authorized to do business in the State.

17 ~~6-521.~~ 10-491.

18 (a) Not later than March 31 of each year, each venture firm and the Financing
19 Authority shall report to the [Department] CORPORATION:

20 (1) the amount of designated capital remaining uninvested at the end of
21 the preceding calendar year;

22 (2) all qualified investments made during the preceding calendar year,
23 including the number of employees of each business at the time the qualified investment
24 was made and as of December 31 of that year;

25 (3) for any qualified investment in which the venture firm or the Financing
26 Authority no longer has a position as of the end of the calendar year, the number of
27 employees of the business as of the date the investment was terminated; and

28 (4) any other information the [Department] CORPORATION requires to
29 ascertain the impact of the Program on the economy of the State.

1 (b) Not later than 180 days after the end of its fiscal year, each venture firm shall
2 provide to the [Department] CORPORATION an audited financial statement that includes
3 the opinion of an independent certified public accountant.

4 (c) Not later than 60 days after the sale or other disposition of a qualified
5 investment, the selling venture firm or the Financing Authority shall provide to the
6 [Department] CORPORATION a report on the amount of the interest sold or disposed of
7 and the consideration received for the sale or disposition.

8 ~~6-522.~~ 10-492.

9 (a) A venture firm may make a qualified distribution at any time.

10 (b) To make a distribution that is not a qualified distribution, a venture firm shall
11 pay to the Comptroller the venture firm's pro rata share of distributions made to all limited
12 partners as provided under the applicable partnership documents and any agreement with
13 the [Department] CORPORATION.

14 (c) (1) Except as provided in paragraph (2) of this subsection, the Comptroller
15 shall distribute all payments received under this section to the General Fund within 30
16 days of receipt.

17 (2) (i) If the [Department] CORPORATION has an obligation under
18 applicable venture firm investment documents to return to the venture firm a payment
19 previously distributed to the Comptroller, the Comptroller shall deposit an amount equal
20 to that payment into the Enterprise Fund to cover the obligation.

21 (ii) If the [Department] CORPORATION determines that the money
22 deposited under subparagraph (i) of this paragraph is no longer required to be returned to
23 a venture firm under the applicable investment documents, the [Department]
24 CORPORATION shall notify the Comptroller that the money may be distributed to the
25 General Fund.

26 ~~6-523.~~ 10-493.

27 Investment returns resulting from the qualified investments made under the
28 Program by the Enterprise Fund or the Financing Authority shall be used to make
29 additional qualified investments in qualified businesses by the Enterprise Fund or the
30 Financing Authority.

31 ~~6-526.~~ 10-496.

32 (a) In any case under the insurance law of the State in which the assets of a
33 purchaser are examined or considered, the designated capital shall be treated as an
34 admitted asset, subject to the same financial rating as that held by the State.

1 (b) The [Department] CORPORATION shall submit the following to the
2 Maryland Insurance Administration:

3 (1) the names, addresses, and amount of designated capital to be
4 contributed and premium tax credits earned by each successful bidder within 30 days after
5 the close of the bidding process under ~~§ 6-512~~ § 10-482 of this subtitle;

6 (2) a copy of the tax credit certificate issued to each purchaser within 30
7 days after the issuance of the certificate under ~~§ 6-513~~ § 10-483 of this subtitle;

8 (3) the occurrence of a default by a purchaser; and

9 (4) the transfer of premium tax credits by a purchaser.

10 ~~§ 6-527.~~ 10-497.

11 (a) Except as provided in subsection (b) of this section, Division II of the State
12 Finance and Procurement Article does not apply to a service that the [Department]
13 CORPORATION obtains that is related to the investment, management, analysis,
14 purchase, or sale of an asset of the [Department] CORPORATION in a transaction
15 authorized under this ~~subtitle~~ PART.

16 (b) The [Department] CORPORATION is subject to Title 12, Subtitle 4 of the
17 State Finance and Procurement Article for services related to the investment,
18 management, analysis, purchase, or sale of assets of the [Department] CORPORATION in
19 any transaction authorized under this ~~subtitle~~ PART.

20 (c) Section 10-305 of the State Finance and Procurement Article does not apply
21 to the sale, lease, transfer, exchange, or other disposition of real or personal property,
22 including a share of stock in a business entity, that the [Department] CORPORATION
23 acquires in a transaction authorized under this ~~subtitle~~ PART.

24 ~~§ 6-528.~~ 10-498.

25 The [Department] CORPORATION shall administer this ~~subtitle~~ PART and may
26 adopt regulations to carry out this ~~subtitle~~ PART.

27 ~~§ 6-529.~~ 10-499.

28 (a) (1) On or before January 1, 2013, and January 1 of each subsequent year,
29 the [Department] CORPORATION shall submit a report on the implementation of the
30 Program to the Governor and, in accordance with § 2-1246 of the State Government Article,
31 the Senate Budget and Taxation Committee and the House Ways and Means Committee.

1 (2) The [Department] CORPORATION shall publish the report on the
2 [Department's] CORPORATION'S Web site in a publicly available format.

3 (3) The report published on the Web site may not include any proprietary
4 or confidential information.

5 (b) The report shall include:

6 (1) with respect to each purchaser of premium tax credits under the
7 Program:

8 (i) the name of the purchaser of premium tax credits;

9 (ii) the amount of premium tax credits allocated to the purchaser;

10 (iii) the amount of designated capital the purchaser contributed for
11 the issuance of the tax credit certificate; and

12 (iv) the amount of any tax credits that have been transferred under
13 ~~§ 6-514~~ § 10-484 of this subtitle;

14 (2) with respect to each venture firm that has received an allocation of
15 designated capital:

16 (i) the name and address of the venture firm;

17 (ii) the names of the individuals making decisions on behalf of the
18 venture firm to make qualified investments under the Program;

19 (iii) the amount of designated capital received during the previous
20 fiscal year;

21 (iv) the cumulative amount of designated capital received;

22 (v) the amount of designated capital remaining uninvested at the
23 end of the previous fiscal year;

24 (vi) the names and locations of qualified businesses receiving
25 designated capital and the amount of each qualified investment;

26 (vii) for the previous fiscal year, the aggregate fair market value of all
27 qualified investments as calculated according to generally accepted accounting principles;
28 and

29 (viii) the amount of any qualified distribution or nonqualified
30 distribution taken during the previous fiscal year, including any management fee;

- 1 (3) with respect to the Enterprise Fund:
- 2 (i) the amount of designated capital received during the previous
3 fiscal year;
- 4 (ii) the cumulative amount of designated capital received;
- 5 (iii) the amount of designated capital remaining uninvested at the
6 end of the previous fiscal year;
- 7 (iv) the names and locations of qualified businesses receiving
8 designated capital and the amount of each qualified investment; and
- 9 (v) for the previous fiscal year, the aggregate fair market value of all
10 qualified investments as calculated according to generally accepted accounting principles;
- 11 (4) with respect to the Financing Authority:
- 12 (i) the amount of designated capital received during the previous
13 fiscal year and the amount allocated to the Equity Participation Investment Program;
- 14 (ii) the cumulative amount of designated capital received;
- 15 (iii) the amount of designated capital remaining uninvested at the
16 end of the previous fiscal year;
- 17 (iv) the names and locations of qualified businesses receiving
18 designated capital and the amount of each qualified investment; and
- 19 (v) for the previous fiscal year, the aggregate fair market value of all
20 qualified investments as calculated under generally accepted accounting principles; and
- 21 (5) for the previous fiscal year, with respect to the qualified businesses in
22 which venture firms, the Enterprise Fund, or the Financing Authority have invested:
- 23 (i) the classification of the qualified businesses according to the
24 industrial sector and the size of the business;
- 25 (ii) the total number of jobs created in the State by the investment
26 and the average wages paid for the jobs; and
- 27 (iii) the total number of jobs retained in the State as a result of the
28 investment and the average wages paid for the jobs.

1 (a) In this division the following words have the meanings indicated.

2 (c) “Department” means the Department of [Business and Economic
3 Development] **ECONOMIC COMPETITIVENESS AND COMMERCE.**

4 (e) “Secretary” means the Secretary of [Business and Economic Development]
5 **COMMERCE.**

6 10–101.

7 (a) In this subtitle the following words have the meanings indicated.

8 (b) “Board” means the Board of Directors of the Corporation.

9 (d) “Corporation” means the Maryland Economic Development Corporation.

10 10–104.

11 (a) The General Assembly finds that:

12 (1) the State’s economy continues to experience technological change and
13 restructuring;

14 (2) technological change may result in economic contraction and
15 dislocation, but affords opportunities to expand productive employment and expand the
16 State’s economy and tax base;

17 (3) the establishment of a public corporation to acquire or improve projects:

18 (i) serves the public interest by accomplishing one or more of the
19 Corporation’s legislative purposes listed in subsection (b) of this section; and

20 (ii) complements existing State marketing programs administered
21 by the Department and through the Department’s financial assistance programs including
22 the Maryland Industrial Development Financing Authority and the Maryland Economic
23 Development Assistance Authority under Title 5 of this article; and

24 (4) the State lacks and needs direct property development capability for
25 economic development purposes.

26 (b) The legislative purposes of the Corporation are to:

27 (1) relieve unemployment in the State;

28 (2) encourage the increase of business activity and commerce and a
29 balanced economy in the State;

- 1 (3) help retain and attract business activity and commerce in the State;
 2 (4) promote economic development; ~~and~~
 3 (5) promote the health, safety, right of gainful employment, and welfare of
 4 residents of the State.

5 ~~(6) CREATE A BRANDING STRATEGY FOR THE STATE;~~

6 ~~(7) MARKET THE STATE'S ASSETS TO OUT-OF-STATE BUSINESSES;~~

7 ~~(8) RECRUIT OUT-OF-STATE BUSINESSES TO LOCATE AND GROW IN~~
 8 ~~THE STATE; AND~~

9 ~~(9) FOSTER PUBLIC-PRIVATE PARTNERSHIPS THAT ENCOURAGE~~
 10 ~~LOCATION AND DEVELOPMENT OF NEW BUSINESSES IN THE STATE.~~

11 (c) The General Assembly intends that:

12 (1) the Corporation operate and exercise its corporate powers in all areas
 13 of the State;

14 (2) without limiting its authority to otherwise exercise its corporate
 15 powers, the Corporation exercise its corporate powers to assist governmental units and
 16 State and local economic development agencies to contribute to the expansion,
 17 modernization, and retention of existing enterprises in the State as well as the attraction
 18 of new business to the State;

19 (3) the Corporation cooperate with workforce investment boards, private
 20 industry councils, representatives of labor, and governmental units in maximizing new
 21 economic opportunities for residents of the State, ~~INCLUDING FOSTERING~~
 22 ~~PUBLIC-PRIVATE PARTNERSHIPS THAT ENCOURAGE THE LOCATION AND~~
 23 ~~DEVELOPMENT OF NEW BUSINESS IN THE STATE.~~

24 (4) the Corporation accomplish at least one of the purposes listed in
 25 subsection (b) of this section and complement existing State marketing and financial
 26 assistance programs by:

27 (i) owning projects;

28 (ii) leasing projects to other persons; or

29 (iii) lending the proceeds of bonds to other persons to finance the costs
 30 of acquiring or improving projects that the persons own or will own; and

1 (5) the Corporation not own and operate a project unless:

2 (i) the Board determines by resolution that the private sector has
3 not demonstrated serious and significant interest and development capacity to own and
4 operate the project; or

5 (ii) a representative of a governmental unit requests in writing that
6 the Corporation own and operate the project.

7 ~~10-109.1.~~

8 ~~(A) THE BOARD SHALL ESTABLISH A MARKETING ADVISORY BOARD~~
9 ~~CONSISTING OF THE FOLLOWING MEMBERS:~~

10 ~~(1) THE SECRETARY;~~

11 ~~(2) THE EXECUTIVE DIRECTOR OF THE CORPORATION;~~

12 ~~(3) THE EXECUTIVE DIRECTOR OF THE MARYLAND TECHNOLOGY~~
13 ~~DEVELOPMENT CORPORATION;~~

14 ~~(4) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF ECONOMIC~~
15 ~~COMPETITIVENESS AND COMMERCE;~~

16 ~~(5) ONE MEMBER OF THE BOARD, ELECTED BY THE MEMBERS OF THE~~
17 ~~BOARD;~~

18 ~~(6) ONE PRIVATE SECTOR MEMBER, APPOINTED BY AND SERVING AT~~
19 ~~THE PLEASURE OF THE PRESIDENT OF THE SENATE OF MARYLAND; AND~~

20 ~~(7) ONE PRIVATE SECTOR MEMBER, APPOINTED BY AND SERVING AT~~
21 ~~THE PLEASURE OF THE SPEAKER OF THE HOUSE OF DELEGATES.~~

22 ~~(B) THE MARKETING ADVISORY BOARD SHALL ESTABLISH AND OPERATE A~~
23 ~~PUBLIC-PRIVATE PARTNERSHIP MARKETING GROUP TO CARRY OUT THE PURPOSES~~
24 ~~DESCRIBED IN § 10-104(B)(6) THROUGH (9) OF THIS SUBTITLE.~~

25 10-110.

26 (a) The Board shall employ any additional professional and clerical staff as
27 necessary to carry out this subtitle.

28 (b) The Board may retain accountants, engineers, lawyers, financial advisors,
29 ~~PUBLIC RELATIONS AND COMMUNICATIONS CONSULTANTS,~~ or other consultants as
30 necessary.

1 10-111.

2 (a) (1) *Except as otherwise provided in this section, in exercising its powers, the*
 3 *Corporation:*

4 (i) *may carry out its corporate purposes without the consent of any*
 5 *State unit; and*

6 (ii) *is not subject to:*

7 1. *Title 12, Subtitles 1 through 3 of this article;*

8 2. *the following provisions of the Local Government Article:*

9 A. *Title 18, Subtitle 1 (Parking Authorities Act); and*

10 B. *Title 18, Subtitle 2 (Ocean City Convention Center);*

11 3. *the following provisions of the State Finance and*
 12 *Procurement Article:*

13 A. *Title 2, Subtitles 2 (Gifts and Grants), 4 (Water and*
 14 *Sewerage Systems), and 5 (Facilities for the Handicapped);*

15 B. *Title 3 (Budget and Management);*

16 C. *Title 4 (Department of General Services);*

17 D. *Title 5A (Division of Historical and Cultural Programs);*

18 E. *Title 6, Subtitle 1 (Studies and Estimates);*

19 F. *Title 7, Subtitles 1 (State Operating Budget), 2*
 20 *(Disbursements and Expenditures), and 3 (Unspent Balances);*

21 G. *§§ 8-127, 8-128, and 8-129 (certain restrictions on State*
 22 *general obligation bonds);*

23 H. *Title 8, Subtitle 1, Part V (State Revenue Anticipation*
 24 *Notes);*

25 I. *Title 10 (Board of Public Works – Miscellaneous*
 26 *Provisions); and*

27 J. *Division II (General Procurement Law);*

1 4. the following provisions of the State Government Article:

2 A. Title 9, Subtitles 10 (State Archives and Artistic Property)
 3 and 17 (Maryland State Employees Surety Bond Committee); AND

4 B. [§§ 10-505 and 10-507 (certain open meetings provisions);
 5 and

6 C.] Title 11 (Consolidated Procedures for Development
 7 Permits); [and]

8 5. Article 41 of the Code; AND

9 6. §§ 3-301 AND 3-303 OF THE GENERAL PROVISIONS
 10 ARTICLE (CERTAIN OPEN MEETINGS PROVISIONS).

11 (2) The Corporation is subject to the Public Information Act.

12 ~~10-114.1.~~

13 ~~(A) IN THIS SECTION, "FUND" MEANS THE ECONOMIC DEVELOPMENT~~
 14 ~~MARKETING FUND.~~

15 ~~(B) THERE IS AN ECONOMIC DEVELOPMENT MARKETING FUND.~~

16 ~~(C) THE CORPORATION SHALL ADMINISTER THE FUND.~~

17 ~~(D) (1) THE FUND IS A SPECIAL, NONLAPSING REVOLVING FUND THAT IS~~
 18 ~~NOT SUBJECT TO REVERSION UNDER § 7-302 OF THE STATE FINANCE AND~~
 19 ~~PROCUREMENT ARTICLE.~~

20 ~~(2) THE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE~~
 21 ~~COMPTROLLER SHALL ACCOUNT FOR THE FUND.~~

22 ~~(E) THE FUND CONSISTS OF:~~

23 ~~(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;~~

24 ~~(2) MONEY MADE AVAILABLE TO THE FUND THROUGH FEDERAL~~
 25 ~~PROGRAMS OR PRIVATE CONTRIBUTIONS;~~

26 ~~(3) MONEY DERIVED BY THE CORPORATION FROM THE SALE OF~~
 27 ~~ADVERTISING, PUBLICATIONS, SPONSORSHIPS, OR OTHER PROMOTIONAL OR~~
 28 ~~MARKETING OPPORTUNITIES; OR~~

~~(4) ANY OTHER MONEY MADE AVAILABLE TO THE CORPORATION FOR THE FUND.~~

~~(F) (1) THE FUND MAY ONLY BE USED TO MARKET THE STATE AS A LOCATION FOR BUSINESSES TO LOCATE, RETAIN, OR EXPAND THEIR OPERATIONS THROUGH ANY OF THE FOLLOWING MEANS:~~

~~(I) WEB SITE MANAGEMENT;~~

~~(II) MEDIA CONTENT CREATION;~~

~~(III) SOCIAL MEDIA OUTREACH;~~

~~(IV) ELECTRONIC MAIL MARKETING TO PROMOTE EVENTS AND OPPORTUNITIES FOR BUSINESSES;~~

~~(V) COLLATERAL AND DISPLAY DEVELOPMENT;~~

~~(VI) EVENT MANAGEMENT; AND~~

~~(VII) ANY OTHER APPROACHES THE CORPORATION DETERMINES TO BE APPROPRIATE.~~

~~(2) THE CORPORATION MAY CONDUCT THESE ACTIVITIES DIRECTLY OR THROUGH CONTRACT PROVIDERS.~~

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

~~(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO THE FUND.~~

~~(H) (1) THE ATTORNEY GENERAL IS THE LEGAL ADVISOR TO THE CORPORATION FOR THE ADMINISTRATION OF THE FUND.~~

~~(2) WITH THE APPROVAL OF THE ATTORNEY GENERAL, THE CORPORATION MAY RETAIN ANY ADDITIONAL LAWYERS NECESSARY FOR THE ADMINISTRATION OF THE FUND.~~

~~10-115.~~

The Corporation may:

(1) adopt bylaws for the conduct of its business;

1 (2) adopt a seal;

2 (3) maintain offices at a place it designates in the State;

3 (4) accept loans, grants, or assistance of any kind from the federal
4 government, a governmental unit, A COLLEGE OR UNIVERSITY, or a private source;

5 (5) enter into contracts and other legal instruments;

6 (6) sue and be sued in its own name;

7 (7) acquire, purchase, hold, lease as lessee, and use any franchise, patent,
8 or license and real, personal, mixed, tangible, or intangible property, or any interest in
9 property, necessary or convenient to carry out its purposes;

10 (8) sell, lease as lessor, transfer, and dispose of its property or interest in
11 property;

12 (9) fix and collect rates, rentals, fees, ROYALTIES, and charges for services,
13 RESOURCES, and facilities it provides or makes available;

14 (10) with the owner's permission, enter lands, waters, or premises to make
15 a survey, sounding, boring, or examination to accomplish a purpose authorized by this
16 subtitle;

17 (11) further define or limit the term "revenues" defined in § 10-101 of this
18 subtitle as the term applies to a particular project, financing, or other matter;

19 (12) create, own, control, or be a member of a corporation, limited liability
20 company, partnership, or other person, whether for-profit or not-for-profit;

21 (13) exercise a power usually possessed by a private corporation in
22 performing similar functions unless to do so would conflict with State law; and

23 (14) do all things necessary or convenient to carry out the powers expressly
24 granted by this subtitle.

25 ~~**10-117.1.**~~

26 ~~**THE CORPORATION MAY PROVIDE TO ANY PERSON:**~~

27 ~~**(1) TECHNICAL SUPPORT;**~~

28 ~~**(2) BRANDING, PUBLIC RELATIONS, COMMUNICATIONS, OR**~~
29 ~~**MARKETING CONSULTING SERVICES; OR**~~

1 ~~(3) ANY OTHER CONSULTING SERVICES.~~

2 10-132.

3 (a) On or before October 1 of each year, the Corporation shall submit a report to
4 the Governor, the Maryland Economic Development Commission, and, in accordance with
5 § 2-1246 of the State Government Article, the General Assembly.

6 (b) The report shall include a complete operating and financial statement and
7 summarize the activities of the Corporation during the preceding fiscal year, INCLUDING
8 THE PERFORMANCE AND ACTIVITIES OF THE PUBLIC-PRIVATE PARTNERSHIP
9 MARKETING GROUP.

10 10-401.

11 (a) In this subtitle the following words have the meanings indicated.

12 (b) “Board” means the Board of Directors of the Corporation.

13 (c) “Corporation” means the Maryland Technology Development Corporation.

14 (d) “Improve” means to add, alter, construct, equip, expand, extend, improve,
15 install, reconstruct, rehabilitate, remodel, or repair.

16 (e) “Improvement” means addition, alteration, construction, equipping,
17 expansion, extension, improvement, installation, reconstruction, rehabilitation,
18 remodeling, or repair.

19 10-402.

20 (a) There is a Maryland Technology Development Corporation.

21 (b) The Corporation is a body politic and corporate and is an instrumentality of
22 the State.

23 (c) The purposes of the Corporation are to:

24 (1) assist in transferring to the private sector the results and products of
25 scientific research and development conducted by colleges and universities;

26 (2) assist in commercializing those results and products;

27 (3) assist in commercializing technology developed in the private sector;

28 [and]

1 (4) foster the commercialization of research and development conducted by
2 colleges, universities, and the private sector to create and sustain businesses throughout
3 all regions of the State; AND

4 (5) GENERALLY ASSIST EARLY-STAGE AND START-UP BUSINESSES IN
5 THE STATE.

6 10-403.

7 (a) A Board of Directors shall manage the Corporation AND ITS UNITS and
8 exercise its corporate powers.

9 (b) The Board consists of the following [15] 16 members:

10 (1) the Secretary OR THE SECRETARY'S DESIGNEE;

11 (2) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OR THE
12 EXECUTIVE DIRECTOR'S DESIGNEE; and

13 [(2)] (3) fourteen members appointed by the Governor with the advice
14 and consent of the Senate:

15 (i) two representing the not-for-profit research sector of the State;

16 (ii) two with expertise in venture capital financing;

17 (iii) five with experience in technology-based businesses;

18 (iv) two representing colleges and universities; and

19 (v) three members of the general public.

20 (c) A member of the Board shall reside in the State.

21 (d) In making appointments to the Board, the Governor shall consider:

22 (1) diversity; and

23 (2) all geographic regions of the State.

24 (e) A member of the Board:

25 (1) may not receive compensation as a member of the Board; but

26 (2) is entitled to reimbursement for expenses under the Standard State
27 Travel Regulations, as provided in the State budget.

1 (f) (1) The term of an appointed member is 4 years.

2 (2) The terms of the appointed members are staggered as required by the
3 terms provided for members on October 1, 2008.

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

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

8 (g) The Governor may remove an appointed member for incompetence,
9 misconduct, or failure to perform the duties of the position.

10 (h) The Board shall elect a chair from among its members.

11 (i) The Board may act with an affirmative vote of [eight] NINE Board members.

12 10-404.

13 (a) The Corporation shall employ an Executive Director.

14 (b) The Executive Director shall have experience with and possess qualifications
15 relevant to the activities and purposes of the Corporation.

16 10-405.

17 (a) The Attorney General is the legal advisor to the Corporation.

18 (b) **(1) THE ATTORNEY GENERAL SHALL ASSIGN TO THE CORPORATION**
19 **ASSISTANT ATTORNEYS GENERAL.**

20 **(2) THE ATTORNEY GENERAL SHALL DESIGNATE ONE ASSISTANT**
21 **ATTORNEY GENERAL AS GENERAL COUNSEL TO THE CORPORATION.**

22 **(3) (I) THE GENERAL COUNSEL TO THE CORPORATION SHALL:**

23 **1. ADVISE THE EXECUTIVE DIRECTOR, BOARD OF**
24 **DIRECTORS, AND ANY OTHER OFFICIAL OF THE CORPORATION AS REQUESTED BY**
25 **THE CORPORATION;**

26 **2. SUPERVISE THE OTHER ASSISTANT ATTORNEYS**
27 **GENERAL ASSIGNED TO THE CORPORATION; AND**

1 **3. PERFORM FOR THE CORPORATION OTHER DUTIES**
 2 **THE ATTORNEY GENERAL ASSIGNS.**

3 **(II) THE GENERAL COUNSEL MAY NOT PROVIDE ANY OTHER**
 4 **ASSISTANCE NOT SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH.**

5 **(C)** With the approval of the Attorney General, the Corporation may retain any
 6 **ADDITIONAL** necessary lawyers.

7 10–406.

8 The Corporation may retain any necessary accountants, engineers, financial
 9 advisors, or other consultants.

10 10–407.

11 (a) Except as provided in subsections (b), (c), and (e) of this section, the
 12 Corporation is exempt from:

13 (1) Title 10 and Division II of the State Finance and Procurement Article;
 14 and

15 (2) §§ 3–301 and 3–303 of the General Provisions Article.

16 (b) The Corporation is subject to the Public Information Act.

17 (c) The Board and the officers and employees of the Corporation are subject to the
 18 Public Ethics Law.

19 (d) The officers and employees of the Corporation are not subject to the provisions
 20 of Division I of the State Personnel and Pensions Article that govern the State Personnel
 21 Management System.

22 (e) The Corporation, its Board, and employees are subject to Title 12, Subtitle 4
 23 of the State Finance and Procurement Article.

24 10–408.

25 The Corporation may:

26 (1) adopt bylaws for the conduct of its business;

27 (2) adopt a seal;

28 (3) maintain offices at a place it designates in the State;

1 (4) accept loans, grants, or assistance of any kind from the federal or State
2 government, a local government, a college or university, or a private source;

3 (5) enter into contracts and other legal instruments;

4 (6) sue or be sued;

5 (7) acquire, purchase, hold, lease as lessee, and use:

6 (i) a franchise, patent, or license;

7 (ii) any real, personal, mixed, tangible, or intangible property; or

8 (iii) an interest in the property listed in this item;

9 (8) sell, lease as lessor, transfer, license, assign, or dispose of property or a
10 property interest that it acquires;

11 (9) fix and collect rates, rentals, fees, royalties, and charges for services
12 and resources it provides or makes available;

13 (10) create, own, control, or be a member of a corporation, limited liability
14 company, partnership, or other entity, whether operated for profit or not for profit;

15 (11) exercise power usually possessed by a private corporation in performing
16 similar functions unless to do so would conflict with State law; and

17 (12) do all things necessary or convenient to carry out the powers granted
18 by this subtitle.

19 10-409.

20 The Corporation may make grants to or provide equity investment financing for
21 technology-based businesses.

22 10-410.

23 The Corporation may:

24 (1) acquire, develop, improve, manage, market, license, sublicense,
25 maintain, lease as lessor or lessee, or operate a project in the State to carry out its purposes;

26 (2) acquire, directly or indirectly, from a person or political subdivision, by
27 purchase, gift, or devise any property, rights-of-way, franchises, easements, or other
28 interests in land, including submerged land and riparian rights:

1 (i) as necessary or convenient to improve or operate a project to
2 carry out its purposes; and

3 (ii) on the terms and at the prices that it considers reasonable; and

4 (3) enter into a project with a manufacturer to carry out its purposes.

5 10-411.

6 A debt, claim, obligation, or liability of the Corporation or any subsidiary is not:

7 (1) a debt, claim, obligation, or liability of the State, a unit or
8 instrumentality of the State, or of a State officer or State employee; or

9 (2) a pledge of the credit of the State.

10 10-412.

11 Colleges and universities may:

12 (1) contract with the Corporation or its subsidiaries;

13 (2) assign to the Corporation or its subsidiaries intellectual property and
14 other resources to assist in its development and activities; and

15 (3) assign faculty and staff to the Corporation.

16 10-413.

17 The Corporation is exempt from State and local taxes.

18 10-414.

19 The books and records of the Corporation are subject to audit:

20 (1) at any time by the State; and

21 (2) each year by an independent auditor that the Office of Legislative
22 Audits approves.

23 10-415.

24 (a) On or before October 1 of each year, the Corporation shall report to the
25 Governor, the Maryland Economic Development Commission, and, in accordance with §
26 2-1246 of the State Government Article, the General Assembly.

1 (b) The report shall include a complete operating and financial statement
2 covering the Corporation's operations and a summary of the Corporation's activities during
3 the preceding fiscal year.

4 **SUBTITLE 9. MARYLAND PUBLIC-PRIVATE PARTNERSHIP MARKETING**
5 **CORPORATION.**

6 **10-901.**

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

9 (B) **"BOARD" MEANS THE BOARD OF DIRECTORS OF THE CORPORATION.**

10 (C) **"CORPORATION" MEANS THE MARYLAND PUBLIC-PRIVATE**
11 **PARTNERSHIP MARKETING CORPORATION.**

12 **10-902.**

13 (A) **THERE IS A MARYLAND PUBLIC-PRIVATE PARTNERSHIP MARKETING**
14 **CORPORATION.**

15 (B) **THE CORPORATION IS A BODY POLITIC AND CORPORATE AND IS AN**
16 **INSTRUMENTALITY OF THE STATE.**

17 (C) **THE PURPOSES OF THE CORPORATION ARE TO:**

18 (1) **CREATE A BRANDING STRATEGY FOR THE STATE;**

19 (2) **MARKET THE STATE'S ASSETS TO OUT-OF-STATE BUSINESSES;**

20 (3) **RECRUIT OUT-OF-STATE BUSINESSES TO LOCATE AND GROW IN**
21 **THE STATE; AND**

22 (4) **FOSTER PUBLIC-PRIVATE PARTNERSHIPS THAT ENCOURAGE**
23 **LOCATION AND DEVELOPMENT OF NEW BUSINESSES IN THE STATE.**

24 **10-903.**

25 (A) **A BOARD OF DIRECTORS SHALL MANAGE THE CORPORATION AND ITS**
26 **UNITS AND EXERCISE THE CORPORATE POWERS OF THE BOARD OF DIRECTORS.**

27 (B) **THE BOARD CONSISTS OF THE FOLLOWING 18 MEMBERS:**

28 (1) **THE SECRETARY;**

1 **(2) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT;**

2 **(3) (I) ONE MEMBER OF THE SENATE OF MARYLAND, WHO SHALL**
3 **BE A NONVOTING MEMBER OF THE BOARD, DESIGNATED BY THE PRESIDENT OF THE**
4 **SENATE; AND**

5 **(II) ONE MEMBER OF THE HOUSE OF DELEGATES, WHO SHALL**
6 **BE A NONVOTING MEMBER OF THE BOARD, DESIGNATED BY THE SPEAKER OF THE**
7 **HOUSE; AND**

8 **(4) THE FOLLOWING 14 MEMBERS, APPOINTED BY THE GOVERNOR**
9 **WITH THE ADVICE AND CONSENT OF THE SENATE:**

10 **(I) THREE REPRESENTING BUSINESSES IN THE STATE;**

11 **(II) TWO REPRESENTING LABOR IN THE STATE;**

12 **(III) TWO REPRESENTING NOT-FOR-PROFIT ORGANIZATIONS IN**
13 **THE STATE;**

14 **(IV) THREE WITH EXPERTISE IN MARKETING OR ADVERTISING;**

15 **(V) ONE WITH EXPERTISE IN PUBLIC RELATIONS AND**
16 **COMMUNICATIONS; AND**

17 **(VI) THREE WITH EXPERTISE IN ECONOMIC DEVELOPMENT.**

18 **(C) EACH MEMBER OF THE BOARD SHALL RESIDE IN THE STATE.**

19 **(D) IN MAKING APPOINTMENTS TO THE BOARD, THE GOVERNOR SHALL**
20 **CONSIDER DIVERSITY AND ALL GEOGRAPHIC REGIONS OF THE STATE.**

21 **(E) A MEMBER OF THE BOARD:**

22 **(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE BOARD;**
23 **BUT**

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

26 **(F) (1) THE TERM OF AN APPOINTED MEMBER IS 4 YEARS.**

1 **(2) THE TERMS OF THE APPOINTED MEMBERS ARE STAGGERED AS**
2 **REQUIRED BY THE TERMS PROVIDED FOR MEMBERS ON OCTOBER 1, 2015.**

3 **(3) AT THE END OF A TERM, AN APPOINTED MEMBER CONTINUES TO**
4 **SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.**

5 **(4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES**
6 **ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND**
7 **QUALIFIES.**

8 **(G) THE GOVERNOR MAY REMOVE AN APPOINTED MEMBER FOR**
9 **INCOMPETENCE, MISCONDUCT, OR FAILURE TO PERFORM THE DUTIES OF THE**
10 **POSITION.**

11 **(H) THE BOARD SHALL ELECT A CHAIR FROM AMONG THE MEMBERS OF THE**
12 **BOARD.**

13 **(I) THE BOARD MAY ACT WITH AN AFFIRMATIVE VOTE OF NINE BOARD**
14 **MEMBERS.**

15 **10-904.**

16 **(A) THE CORPORATION SHALL EMPLOY AN EXECUTIVE DIRECTOR.**

17 **(B) THE EXECUTIVE DIRECTOR SHALL HAVE EXPERIENCE WITH AND**
18 **POSSESS QUALIFICATIONS RELEVANT TO THE ACTIVITIES AND PURPOSES OF THE**
19 **CORPORATION.**

20 **10-905.**

21 **(A) IN THIS SECTION, "FUND" MEANS THE ECONOMIC DEVELOPMENT**
22 **MARKETING FUND.**

23 **(B) THERE IS AN ECONOMIC DEVELOPMENT MARKETING FUND.**

24 **(C) THE CORPORATION SHALL ADMINISTER THE FUND.**

25 **(D) (1) THE FUND IS A SPECIAL, NONLAPSING REVOLVING FUND THAT IS**
26 **NOT SUBJECT TO REVERSION UNDER § 7-302 OF THE STATE FINANCE AND**
27 **PROCUREMENT ARTICLE.**

28 **(2) THE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE**
29 **COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

1 **(E) THE FUND CONSISTS OF:**

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

3 **(2) MONEY MADE AVAILABLE TO THE FUND THROUGH FEDERAL**
4 **PROGRAMS OR PRIVATE CONTRIBUTIONS;**

5 **(3) MONEY DERIVED BY THE CORPORATION FROM THE SALE OF**
6 **ADVERTISING, PUBLICATIONS, SPONSORSHIPS, OR OTHER PROMOTIONAL OR**
7 **MARKETING OPPORTUNITIES; OR**

8 **(4) ANY OTHER MONEY MADE AVAILABLE TO THE CORPORATION FOR**
9 **THE FUND.**

10 **(F) (1) THE FUND MAY BE USED ONLY TO MARKET THE STATE AS A**
11 **LOCATION FOR BUSINESSES TO LOCATE, RETAIN, OR EXPAND THEIR OPERATIONS**
12 **THROUGH ANY OF THE FOLLOWING MEANS:**

13 **(I) WEB SITE MANAGEMENT;**

14 **(II) MEDIA CONTENT CREATION;**

15 **(III) SOCIAL MEDIA OUTREACH;**

16 **(IV) ELECTRONIC MAIL MARKETING TO PROMOTE EVENTS AND**
17 **OPPORTUNITIES FOR BUSINESSES;**

18 **(V) COLLATERAL AND DISPLAY DEVELOPMENT;**

19 **(VI) EVENT MANAGEMENT; AND**

20 **(VII) ANY OTHER APPROACHES THE CORPORATION DETERMINES**
21 **TO BE APPROPRIATE.**

22 **(2) THE CORPORATION MAY CONDUCT THESE ACTIVITIES DIRECTLY**
23 **OR THROUGH CONTRACT PROVIDERS.**

24 **(G) (1) THE TREASURER SHALL INVEST MONEY IN THE FUND IN THE**
25 **SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

26 **(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO**
27 **THE FUND.**

1 (H) NOTHING IN THIS SECTION MAY BE CONSTRUED TO PREVENT THE
2 DEPARTMENT FROM EXPENDING FUNDS APPROPRIATED IN THE STATE BUDGET TO
3 THE DEPARTMENT DIRECTLY FOR MARKETING PURPOSES.

4 10-906.

5 (A) THE ATTORNEY GENERAL IS THE LEGAL ADVISOR TO THE
6 CORPORATION.

7 (B) WITH THE APPROVAL OF THE ATTORNEY GENERAL, THE CORPORATION
8 MAY RETAIN ANY NECESSARY LAWYERS.

9 10-907.

10 THE CORPORATION MAY RETAIN ANY NECESSARY ACCOUNTANTS, FINANCIAL
11 ADVISORS, OR OTHER CONSULTANTS.

12 10-908.

13 (A) EXCEPT AS PROVIDED IN SUBSECTIONS (B), (C), AND (E) OF THIS
14 SECTION, THE CORPORATION IS EXEMPT FROM:

15 (1) TITLE 10 AND DIVISION II OF THE STATE FINANCE AND
16 PROCUREMENT ARTICLE; AND

17 (2) ~~§§ 10-507 AND 10-555 OF THE STATE GOVERNMENT ARTICLE~~
18 ~~3-301 AND 3-303 OF THE GENERAL PROVISIONS ARTICLE.~~

19 (B) THE CORPORATION IS SUBJECT TO THE PUBLIC INFORMATION ACT.

20 (C) THE BOARD AND THE OFFICERS AND EMPLOYEES OF THE CORPORATION
21 ARE SUBJECT TO THE PUBLIC ETHICS LAW.

22 (D) THE OFFICERS AND EMPLOYEES OF THE CORPORATION ARE NOT
23 SUBJECT TO THE PROVISIONS OF DIVISION I OF THE STATE PERSONNEL AND
24 PENSIONS ARTICLE THAT GOVERN THE STATE PERSONNEL MANAGEMENT SYSTEM.

25 (E) THE CORPORATION, THE BOARD, AND THE EMPLOYEES OF THE
26 CORPORATION ARE SUBJECT TO TITLE 12, SUBTITLE 4 OF THE STATE FINANCE AND
27 PROCUREMENT ARTICLE.

28 10-909.

29 THE CORPORATION MAY:

1 **(1) ADOPT BYLAWS FOR THE CONDUCT OF ITS BUSINESS;**

2 **(2) ADOPT A SEAL;**

3 **(3) MAINTAIN OFFICES AT A PLACE IN THE STATE THAT THE**
4 **CORPORATION DESIGNATES;**

5 **(4) ACCEPT LOANS, GRANTS, OR ASSISTANCE OF ANY KIND FROM THE**
6 **FEDERAL OR STATE GOVERNMENT, LOCAL GOVERNMENT, A COLLEGE OR**
7 **UNIVERSITY, OR A PRIVATE SOURCE;**

8 **(5) ACCEPT ASSISTANCE FROM THE MARYLAND ECONOMIC**
9 **DEVELOPMENT CORPORATION;**

10 **(6) ENTER INTO CONTRACTS AND OTHER LEGAL INSTRUMENTS;**

11 **(7) SUE OR BE SUED;**

12 **(8) ACQUIRE, PURCHASE, HOLD, LEASE AS LESSEE, AND USE:**

13 **(I) A FRANCHISE, PATENT, OR LICENSE;**

14 **(II) ANY REAL, PERSONAL, MIXED, TANGIBLE, OR INTANGIBLE**
15 **PROPERTY; OR**

16 **(III) AN INTEREST IN THE PROPERTY LISTED IN THIS ITEM;**

17 **(9) SELL, LEASE AS LESSOR, TRANSFER, LICENSE, ASSIGN, OR**
18 **DISPOSE OF PROPERTY OR A PROPERTY INTEREST THAT THE CORPORATION**
19 **ACQUIRES;**

20 **(10) FIX AND COLLECT RATES, RENTALS, FEES, ROYALTIES, AND**
21 **CHARGES FOR SERVICES AND RESOURCES THE CORPORATION PROVIDES OR MAKES**
22 **AVAILABLE; AND**

23 **(11) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE**
24 **POWERS GRANTED BY THIS SUBTITLE.**

25 **10-910.**

26 **THE CORPORATION IS EXEMPT FROM STATE AND LOCAL TAXES.**

27 **10-911.**

1 THE BOOKS AND RECORDS OF THE CORPORATION ARE SUBJECT TO AUDIT:

2 (1) AT ANY TIME BY THE STATE; AND

3 (2) EACH YEAR BY AN INDEPENDENT AUDITOR THAT THE OFFICE OF
 4 LEGISLATIVE AUDITS APPROVES.

5 10-912.

6 (A) ON OR BEFORE OCTOBER 1 OF EACH YEAR, THE CORPORATION SHALL
 7 REPORT TO THE GOVERNOR, THE SECRETARY, AND, IN ACCORDANCE WITH § 2-1246
 8 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

9 (B) THE REPORT SHALL INCLUDE A COMPLETE OPERATING AND FINANCIAL
 10 STATEMENT COVERING THE CORPORATION'S OPERATIONS AND A SUMMARY OF THE
 11 CORPORATION'S ACTIVITIES DURING THE PRECEDING FISCAL YEAR.

12 ~~SUBTITLE 9. PUBLIC PRIVATE PARTNERSHIP MARKETING CORPORATION.~~

13 ~~10-901.~~

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

16 ~~(B) "BOARD" MEANS THE BOARD OF DIRECTORS OF THE CORPORATION.~~

17 ~~(C) "CORPORATION" MEANS THE PUBLIC PRIVATE PARTNERSHIP~~
 18 ~~MARKETING CORPORATION.~~

19 ~~10-902.~~

20 ~~(A) THERE IS A PUBLIC PRIVATE PARTNERSHIP MARKETING~~
 21 ~~CORPORATION.~~

22 ~~(B) THE CORPORATION IS A BODY POLITIC AND CORPORATE AND IS AN~~
 23 ~~INSTRUMENTALITY OF THE STATE.~~

24 ~~(C) THE PURPOSES OF THE CORPORATION ARE TO:~~

25 ~~(1) CREATE A BRANDING STRATEGY FOR THE STATE;~~

26 ~~(2) MARKET THE STATE'S ASSETS TO OUT OF STATE BUSINESSES;~~

1 ~~(3) RECRUIT OUT OF STATE BUSINESSES TO LOCATE AND GROW IN~~
2 ~~THE STATE; AND~~

3 ~~(4) FOSTER PUBLIC PRIVATE PARTNERSHIPS THAT ENCOURAGE~~
4 ~~LOCATION AND DEVELOPMENT OF NEW BUSINESSES IN THE STATE.~~

5 ~~10-903.~~

6 ~~(A) A BOARD OF DIRECTORS SHALL MANAGE THE CORPORATION AND ITS~~
7 ~~UNITS AND EXERCISE THE CORPORATE POWERS OF THE BOARD OF DIRECTORS.~~

8 ~~(B) THE BOARD CONSISTS OF THE FOLLOWING 18 MEMBERS:~~

9 ~~(1) THE SECRETARY;~~

10 ~~(2) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT;~~

11 ~~(3) (I) ONE MEMBER OF THE SENATE OF MARYLAND, WHO SHALL~~
12 ~~BE A NONVOTING MEMBER OF THE BOARD, DESIGNATED BY THE PRESIDENT OF THE~~
13 ~~SENATE; AND~~

14 ~~(II) ONE MEMBER OF THE HOUSE OF DELEGATES, WHO SHALL~~
15 ~~BE A NONVOTING MEMBER OF THE BOARD, DESIGNATED BY THE SPEAKER OF THE~~
16 ~~HOUSE; AND~~

17 ~~(4) THE FOLLOWING 14 MEMBERS, APPOINTED BY THE GOVERNOR~~
18 ~~WITH THE ADVICE AND CONSENT OF THE SENATE:~~

19 ~~(I) THREE REPRESENTING BUSINESSES IN THE STATE;~~

20 ~~(II) TWO REPRESENTING LABOR IN THE STATE;~~

21 ~~(III) TWO REPRESENTING NOT FOR PROFIT ORGANIZATIONS IN~~
22 ~~THE STATE;~~

23 ~~(IV) THREE WITH EXPERTISE IN MARKETING OR ADVERTISING;~~

24 ~~(V) ONE WITH EXPERTISE IN PUBLIC RELATIONS AND~~
25 ~~COMMUNICATIONS; AND~~

26 ~~(VI) THREE WITH EXPERTISE IN ECONOMIC DEVELOPMENT.~~

27 ~~(C) EACH MEMBER OF THE BOARD SHALL RESIDE IN THE STATE.~~

1 ~~(D) IN MAKING APPOINTMENTS TO THE BOARD, THE GOVERNOR SHALL~~
2 ~~CONSIDER DIVERSITY AND ALL GEOGRAPHIC REGIONS OF THE STATE.~~

3 ~~(E) A MEMBER OF THE BOARD:~~

4 ~~(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE BOARD;~~
5 ~~BUT~~

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

8 ~~(F) (1) THE TERM OF AN APPOINTED MEMBER IS 4 YEARS.~~

9 ~~(2) THE TERMS OF THE APPOINTED MEMBERS ARE STAGGERED AS~~
10 ~~REQUIRED BY THE TERMS PROVIDED FOR MEMBERS ON OCTOBER 1, 2015.~~

11 ~~(3) AT THE END OF A TERM, AN APPOINTED MEMBER CONTINUES TO~~
12 ~~SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.~~

13 ~~(4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES~~
14 ~~ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND~~
15 ~~QUALIFIES.~~

16 ~~(G) THE GOVERNOR MAY REMOVE AN APPOINTED MEMBER FOR~~
17 ~~INCOMPETENCE, MISCONDUCT, OR FAILURE TO PERFORM THE DUTIES OF THE~~
18 ~~POSITION.~~

19 ~~(H) THE BOARD SHALL ELECT A CHAIR FROM AMONG THE MEMBERS OF THE~~
20 ~~BOARD.~~

21 ~~(I) THE BOARD MAY ACT WITH AN AFFIRMATIVE VOTE OF NINE BOARD~~
22 ~~MEMBERS.~~

23 ~~10-904.~~

24 ~~(A) THE CORPORATION SHALL EMPLOY AN EXECUTIVE DIRECTOR.~~

25 ~~(B) THE EXECUTIVE DIRECTOR SHALL HAVE EXPERIENCE WITH AND~~
26 ~~POSSESS QUALIFICATIONS RELEVANT TO THE ACTIVITIES AND PURPOSES OF THE~~
27 ~~CORPORATION.~~

28 ~~10-905.~~

1 ~~(A) THE ATTORNEY GENERAL IS THE LEGAL ADVISOR TO THE~~
2 ~~CORPORATION.~~

3 ~~(B) WITH THE APPROVAL OF THE ATTORNEY GENERAL, THE CORPORATION~~
4 ~~MAY RETAIN ANY NECESSARY LAWYERS.~~

5 ~~10-906.~~

6 ~~THE CORPORATION MAY RETAIN ANY NECESSARY ACCOUNTANTS, FINANCIAL~~
7 ~~ADVISORS, OR OTHER CONSULTANTS.~~

8 ~~10-907.~~

9 ~~(A) EXCEPT AS PROVIDED IN SUBSECTIONS (B), (C), AND (E) OF THIS~~
10 ~~SECTION, THE CORPORATION IS EXEMPT FROM:~~

11 ~~(1) TITLE 10 AND DIVISION II OF THE STATE FINANCE AND~~
12 ~~PROCUREMENT ARTICLE; AND~~

13 ~~(2) §§ 10-555 AND 10-507 OF THE STATE GOVERNMENT ARTICLE.~~

14 ~~(B) THE CORPORATION IS SUBJECT TO THE PUBLIC INFORMATION ACT.~~

15 ~~(C) THE BOARD AND THE OFFICERS AND EMPLOYEES OF THE~~
16 ~~CORPORATION ARE SUBJECT TO THE PUBLIC ETHICS LAW.~~

17 ~~(D) THE OFFICERS AND EMPLOYEES OF THE CORPORATION ARE NOT~~
18 ~~SUBJECT TO THE PROVISIONS OF DIVISION I OF THE STATE PERSONNEL AND~~
19 ~~PENSIONS ARTICLE THAT GOVERN THE STATE PERSONNEL MANAGEMENT SYSTEM.~~

20 ~~(E) THE CORPORATION, THE BOARD, AND THE EMPLOYEES OF THE~~
21 ~~CORPORATION ARE SUBJECT TO TITLE 12, SUBTITLE 4 OF THE STATE FINANCE AND~~
22 ~~PROCUREMENT ARTICLE.~~

23 ~~10-908.~~

24 ~~THE CORPORATION MAY:~~

25 ~~(1) ADOPT BYLAWS FOR THE CONDUCT OF ITS BUSINESS;~~

26 ~~(2) ADOPT A SEAL;~~

27 ~~(3) MAINTAIN OFFICES AT A PLACE THE CORPORATION DESIGNATES~~
28 ~~IN THE STATE;~~

1 ~~(4) ACCEPT LOANS, GRANTS, OR ASSISTANCE OF ANY KIND FROM THE~~
2 ~~FEDERAL OR STATE GOVERNMENT, LOCAL GOVERNMENT, A COLLEGE OR~~
3 ~~UNIVERSITY, OR A PRIVATE SOURCE;~~

4 ~~(5) ENTER INTO CONTRACTS AND OTHER LEGAL INSTRUMENTS;~~

5 ~~(6) SUE OR BE SUED;~~

6 ~~(7) ACQUIRE, PURCHASE, HOLD, LEASE AS LESSEE, AND USE:~~

7 ~~(I) A FRANCHISE, PATENT, OR LICENSE;~~

8 ~~(II) ANY REAL, PERSONAL, MIXED, TANGIBLE, OR INTANGIBLE~~
9 ~~PROPERTY; OR~~

10 ~~(III) AN INTEREST IN THE PROPERTY LISTED IN THIS ITEM;~~

11 ~~(8) SELL, LEASE AS LESSOR, TRANSFER, LICENSE, ASSIGN, OR~~
12 ~~DISPOSE OF PROPERTY OR A PROPERTY INTEREST THAT THE CORPORATION~~
13 ~~ACQUIRES;~~

14 ~~(9) FIX AND COLLECT RATES, RENTALS, FEES, ROYALTIES, AND~~
15 ~~CHARGES FOR SERVICES AND RESOURCES THE CORPORATION PROVIDES OR MAKES~~
16 ~~AVAILABLE; AND~~

17 ~~(10) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE~~
18 ~~POWERS GRANTED BY THIS SUBTITLE.~~

19 ~~10-909.~~

20 ~~THE CORPORATION IS EXEMPT FROM STATE AND LOCAL TAXES.~~

21 ~~10-910.~~

22 ~~THE BOOKS AND RECORDS OF THE CORPORATION ARE SUBJECT TO AUDIT:~~

23 ~~(1) AT ANY TIME BY THE STATE; AND~~

24 ~~(2) EACH YEAR BY AN INDEPENDENT AUDITOR THAT THE OFFICE OF~~
25 ~~LEGISLATIVE AUDITS APPROVES.~~

26 ~~10-911.~~

~~(A) ON OR BEFORE OCTOBER 1 OF EACH YEAR, THE CORPORATION SHALL REPORT TO THE GOVERNOR, THE SECRETARY, AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.~~

~~(B) THE REPORT SHALL INCLUDE A COMPLETE OPERATING AND FINANCIAL STATEMENT COVERING THE CORPORATION'S OPERATIONS AND A SUMMARY OF THE CORPORATION'S ACTIVITIES DURING THE PRECEDING FISCAL YEAR.~~

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:

81. the Cybersecurity Investment Fund; [and]

82. the Northeastern Maryland Additive Manufacturing Innovation Authority Fund; AND

83. THE ECONOMIC DEVELOPMENT MARKETING FUND.

Article – State Government

8-201.

(a) The Executive Branch of the State government shall have not more than 21 principal departments, each of which shall embrace a broad, functional area of that Branch.

(b) The principal departments of the Executive Branch of the State government are:

(4) [Business and Economic Development] **ECONOMIC COMPETITIVENESS AND COMMERCE;**

SUBTITLE 31. COMMERCE SUBCABINET.

9-3101.

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

3 **(B) "SECRETARY" MEANS THE SECRETARY OF COMMERCE.**

4 **(C) "SUBCABINET" MEANS THE COMMERCE SUBCABINET.**

5 **9-3102.**

6 **(A) THERE IS A COMMERCE SUBCABINET.**

7 **(B) THE SUBCABINET IS COMPOSED OF THE FOLLOWING MEMBERS:**

8 **(1) THE SECRETARY, OR THE SECRETARY'S DESIGNEE;**

9 **(2) THE SECRETARY OF TRANSPORTATION, OR THE SECRETARY'S**
10 **DESIGNEE;**

11 **(3) THE SECRETARY OF LABOR, LICENSING, AND REGULATION, OR**
12 **THE SECRETARY'S DESIGNEE;**

13 **(4) THE SECRETARY OF ENVIRONMENT, OR THE SECRETARY'S**
14 **DESIGNEE;**

15 **(5) THE SECRETARY OF HOUSING AND COMMUNITY DEVELOPMENT,**
16 **OR THE SECRETARY'S DESIGNEE;**

17 **(6) THE SECRETARY OF PLANNING, OR THE SECRETARY'S DESIGNEE;**
18 **AND**

19 **(7) THE SPECIAL SECRETARY OF MINORITY AFFAIRS, OR THE**
20 **SPECIAL SECRETARY'S DESIGNEE.**

21 **9-3103.**

22 **THE SUBCABINET SHALL:**

23 **(1) ADVISE THE GOVERNOR ON PROPOSALS TO ENHANCE THE**
24 **STATE'S BUSINESS CLIMATE;**

25 **(2) GATHER INFORMATION THE SUBCABINET CONSIDERS NECESSARY**
26 **TO PROMOTE THE GOALS OF THE SUBCABINET;**

1 **(3) COLLABORATE TO FACILITATE AND EXPEDITE CRITICAL**
2 **ECONOMIC DEVELOPMENT PROJECTS IN THE STATE; AND**

3 **(4) PROVIDE OTHER ASSISTANCE THAT MAY BE REQUIRED TO**
4 **FURTHER THE GOALS OF THE SUBCABINET AND ENHANCE THE STATE'S BUSINESS**
5 **CLIMATE.**

6 **9-3104.**

7 **(A) THE SECRETARY SHALL:**

8 **(1) CHAIR THE SUBCABINET;**

9 **(2) CONVENE THE MEETINGS OF THE SUBCABINET; AND**

10 **(3) BE RESPONSIBLE FOR THE OVERSIGHT, DIRECTION, AND**
11 **ACCOUNTABILITY OF THE WORK OF THE SUBCABINET.**

12 **(B) THE OFFICE OF THE SECRETARY OF COMMERCE SHALL PROVIDE THE**
13 **PRIMARY STAFF SUPPORT FOR THE SUBCABINET.**

14 **(C) THE SUBCABINET SHALL MEET EACH MONTH.**

15 SECTION 3. AND BE IT FURTHER ENACTED, That, as provided in this Act:

16 (1) The Department of Economic Competitiveness and Commerce is the
17 successor of the Department of Business and Economic Development and the Executive
18 Director of the Department of Economic Competitiveness and Commerce is the successor
19 of the Secretary of Business and Economic Development.

20 (2) In every law, executive order, rule, regulation, policy, or document
21 created by an official, an employee, or a unit of this State, the names and titles of those
22 agencies and officials mean the names and titles of the successor agency or official.

23 SECTION 4. AND BE IT FURTHER ENACTED, That nothing in this Act affects the
24 term of office of an appointed or elected member of any commission, office, department,
25 agency, or other unit. An individual who is a member of a unit on the effective date of this
26 Act shall remain a member for the balance of the term to which appointed or elected, unless
27 the member sooner dies, resigns, or is removed under provisions of law.

28 SECTION 5. AND BE IT FURTHER ENACTED, That, except as expressly provided
29 to the contrary in this Act, any transaction or employment status affected by or flowing
30 from any change of nomenclature or any statute amended, repealed, or transferred by this
31 Act and validly entered into or existing before the effective date of this Act and every right,
32 duty, or interest flowing from a statute amended, repealed, or transferred by this Act
33 remains valid after the effective date of this Act and may be terminated, completed,

1 consummated, or enforced as required or allowed by any statute amended, repealed, or
2 transferred by this Act as though the repeal, amendment, or transfer had not occurred. If
3 a change in nomenclature involves a change in name or designation of any State unit, the
4 successor unit shall be considered in all respects as having the powers and obligations
5 granted the former unit.

6 SECTION 6. AND BE IT FURTHER ENACTED, That, except as expressly provided
7 to the contrary in this Act:

8 (1) The continuity of every commission, office, department, agency, or other
9 unit is retained; and

10 (2) The personnel, records, files, furniture, fixtures, and other properties
11 and all appropriations, credits, assets, liabilities, and obligations of each retained unit are
12 continued as the personnel, records, files, furniture, fixtures, properties, appropriations,
13 credits, assets, liabilities, and obligations of the unit under the laws enacted by this Act.

14 SECTION 7. AND BE IT FURTHER ENACTED, That the publisher of the
15 Annotated Code of Maryland, in consultation with and subject to the approval of the
16 Department of Legislative Services, shall correct, with no further action required by the
17 General Assembly, terminology or cross-references rendered incorrect by this Act or by any
18 other Act of the General Assembly of 2015 that affects provisions enacted by this Act. The
19 publisher shall adequately describe any such correction in an editor's note following the
20 section affected.

21 ~~SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding §~~
22 ~~10-902 (f)(1);~~

23 ~~(a) (1) Notwithstanding § 2.5-203 of the Economic Development Article, as~~
24 ~~enacted by Section 2 of this Act, the terms of the initial appointed and except as provided~~
25 ~~in paragraph (2) of this subsection, the first four members of the Board of Directors of the~~
26 ~~Public-Private Partnership Marketing Corporation shall expire as follows:~~

27 ~~(1) Three members on September 30, 2018;~~

28 ~~(2) Four members on September 30, 2019;~~

29 ~~(3) Four members on September 30, 2020; and~~

30 ~~(4) Three members on September 30, 2021. Maryland Economic~~
31 ~~Development Commission whose terms expire after the effective date of this Act shall~~
32 ~~become the members appointed by the President of the Senate of Maryland and the Speaker~~
33 ~~of the House of Delegates.~~

34 ~~(2) If there are fewer than 25 voting members appointed to the Commission~~
35 ~~on the effective date of this Act, the President of the Senate of Maryland and the Speaker~~

~~of the House of Delegates shall appoint the number of voting members needed to reach 25 voting members of the Commission, not to exceed four total appointments.~~

~~(b) The President of the Senate of Maryland and the Speaker of the House of Delegates shall alternate appointing the first four voting members.~~

~~SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding § 10-903(f)(1) of the Economic Development Article, as enacted by Section 2 of this Act, the terms of the initial appointed members of the Board of Directors of the Maryland Public-Private Partnership Marketing Corporation shall expire as follows:~~

~~(1) Three members on September 30, 2018;~~

~~(2) Four members on September 30, 2019;~~

~~(3) Four members on September 30, 2020; and~~

~~(4) Three members on September 30, 2021.~~

~~SECTION 8. AND BE IT FURTHER ENACTED, That:~~

~~(a) (1) Notwithstanding § 2.5-203 of the Economic Development Article, as enacted by Section 2 of this Act, and, except as provided in paragraph (2) of this subsection, the first four members of the Maryland Economic Development Commission whose terms expire after the effective date of this Act shall become the members appointed by the President of the Senate of Maryland and the Speaker of the House of Delegates.~~

~~(2) If there are fewer than 25 voting members appointed to the Commission on the effective date of this Act, the President of the Senate of Maryland and the Speaker of the House of Delegates shall appoint the number of voting members needed to reach 25 voting members of the Commission, not to exceed four total appointments.~~

~~(b) The President of the Senate of Maryland and the Speaker of the House of Delegates shall alternate appointing the first four voting members.~~

~~SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding § 10-903(f)(1) of the Economic Development Article, as enacted by Section 2 of this Act, the terms of the initial appointed members of the Board of Directors of the Maryland Public-Private Partnership Marketing Corporation shall expire as follows:~~

~~(1) Three members on September 30, 2018;~~

~~(2) Four members on September 30, 2019;~~

~~(3) Four members on September 30, 2020; and~~

~~(4) Three members on September 30, 2021.~~

1 SECTION 10. AND BE IT FURTHER ENACTED, That it is the intent of the General
2 Assembly that:

3 (a) In fiscal year 2016, at least \$1,000,000 of the allowance for the Division of
4 Marketing within the Department of Business and Economic Development be transferred by
5 budget amendment to the Maryland Public-Private Partnership Marketing Corporation,
6 established under Title 10, Subtitle 9 of the Economic Development Article, for the purpose
7 of advertising and out-of-state business recruitment; and

8 (b) The BioMaryland Center, the office within the Department of Business and
9 Economic Development that supports the growth of the life sciences industry in Maryland,
10 be transferred to the Maryland Technology Development Corporation on or before January
11 1, 2016.

12 SECTION 11. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 October 1, 2015.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.