

# SENATE BILL 1057

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6lr3525  
CF HB 1532

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By: **Senator King**

Introduced and read first time: February 18, 2016

Assigned to: Rules

Re-referred to: Finance, February 25, 2016

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Committee Report: Favorable

Senate action: Adopted

Read second time: March 17, 2016

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Technology Development Corporation – Maryland Innovation**  
3 **Initiative – Financing Authority**

4 FOR the purpose of authorizing the Maryland Innovation Initiative in the Maryland  
5 Technology Development Corporation to provide certain financing to certain  
6 universities or certain entities to promote the commercialization of certain  
7 intellectual property, assess certain issues, and pay certain costs; expanding the  
8 authority of the Corporation to use money in the Maryland Innovation Initiative  
9 Fund to provide certain financing; and generally relating to the financing authority  
10 of the Maryland Innovation Initiative.

11 BY repealing and reenacting, without amendments,  
12 Article – Economic Development  
13 Section 10–457(a)  
14 Annotated Code of Maryland  
15 (2008 Volume and 2015 Supplement)

16 BY repealing and reenacting, with amendments,  
17 Article – Economic Development  
18 Section 10–457(e) and 10–458  
19 Annotated Code of Maryland  
20 (2008 Volume and 2015 Supplement)

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### 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.



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

3 **Article – Economic Development**

4 10–457.

5 (a) There is a Maryland Innovation Initiative Fund.

6 (e) Money in the Fund may be used only to:

7 (1) award grants **OR PROVIDE EQUITY INVESTMENT FINANCING** to  
8 promote the commercialization of research in accordance with the terms of this part; and

9 (2) pay the costs necessary to administer the Initiative.

10 10–458.

11 (a) The Initiative may:

12 (1) provide grant funding **OR EQUITY INVESTMENT FINANCING** to a  
13 qualifying university, qualifying university–based entrepreneur, or other start–up entity,  
14 to promote the commercialization of technology developed in whole or in part by a  
15 qualifying university;

16 (2) pursue grants, other funds, and in–kind contributions for the Initiative  
17 or its qualifying universities;

18 (3) develop and implement guidelines for technology transfer; and

19 (4) identify projects at qualifying universities that may be viable for  
20 commercialization.

21 (b) The grant funding **OR EQUITY INVESTMENT FINANCING** in subsection (a)  
22 shall be awarded:

23 (1) to support pre–commercial research on intellectual property to increase  
24 the likelihood of commercializing the intellectual property;

25 (2) to defray costs of evaluating the feasibility of a technology becoming  
26 commercialized through a start–up company;

27 (3) to defray the direct costs of developing early stage technology through  
28 a start–up entity;

29 (4) to assess intellectual property issues, including licensing and patents;  
30 or

1                   (5) for any other costs that the Initiative's participating members  
2 determine are appropriate to promote technology transfer and commercialization in the  
3 State.

4                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
5 1, 2016.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.