

Chapter 634

(Senate Bill 358)

AN ACT concerning

**Economic Development – Maryland Technology Development Corporation –
Application and Reporting Requirements**

FOR the purpose of requiring an application for investment by the Maryland Technology Development Corporation to include an option for an applicant to provide certain demographic information of the applicant; prohibiting the Corporation from taking any adverse action against an applicant who declines to provide certain demographic information; requiring the Corporation to submit a certain report to the Governor, the Maryland Economic Development Commission, and the General Assembly on or before a certain date concerning certain applicant and investment activities and, in a certain manner, certain demographic information of applicants and founders if available; and generally relating to application and reporting requirements for the Maryland Technology Development Corporation.

BY repealing and reenacting, without amendments,
Article – Economic Development
Section 10–401(a) and (c)
Annotated Code of Maryland
(2018 Replacement Volume and 2023 Supplement)

BY repealing and reenacting, with amendments,
Article – Economic Development
Section 10–409(a)
Annotated Code of Maryland
(2018 Replacement Volume and 2023 Supplement)

BY adding to
Article – Economic Development
Section 10–415(c)
Annotated Code of Maryland
(2018 Replacement Volume and 2023 Supplement)

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

Article – Economic Development

10–401.

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

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

10–409.

(a) **(1)** Except as provided in subsection (c) of this section, the Corporation may make grants to or provide equity investment financing for technology–based businesses, if:

[(1)] (I) the investments are made to a qualified business;

[(2)] (II) the investments are made on review and approval of a written application that:

[(i)] 1. contains sufficient information to verify that the qualified business has its principal business operations in the State or will have a substantial economic impact on the State; and

[(ii)] 2. contains a certification of the veracity of the information by an authorized signatory of the qualified business; and

[(3)] (III) at least the number of members that constitutes a quorum of any fund or authority has been appointed under the requirements for that fund or authority.

(2) THE CORPORATION SHALL INCLUDE IN THE APPLICATION FOR INVESTMENT DESCRIBED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION:

(I) AN OPTION FOR AN APPLICANT TO PROVIDE THE APPLICANT’S RACE, ETHNICITY, AGE, GENDER, DISABILITY STATUS, AND VETERAN STATUS AND THE GEOGRAPHIC AREA OF THE STATE WHERE THE APPLICANT’S PRIMARY PLACE OF BUSINESS IS LOCATED; AND

(II) A STATEMENT ADVISING THE APPLICANT THAT PROVISION OF THE INFORMATION DESCRIBED UNDER ITEM (I) OF THIS PARAGRAPH IS VOLUNTARY BUT ENCOURAGING APPLICANTS TO PROVIDE THE INFORMATION.

(3) THE CORPORATION MAY NOT TAKE ANY ADVERSE ACTION AGAINST AN APPLICANT WHO DECLINES TO PROVIDE THE INFORMATION DESCRIBED UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION.

10–415.

(C) (1) ON OR BEFORE OCTOBER 1, 2024, AND EACH OCTOBER 1 THEREAFTER, THE CORPORATION SHALL REPORT TO THE GOVERNOR, THE MARYLAND ECONOMIC DEVELOPMENT COMMISSION, AND, IN ACCORDANCE WITH §

2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE FOLLOWING INFORMATION FROM THE IMMEDIATELY PRECEDING FISCAL YEAR:

(I) THE NUMBER OF APPLICATIONS THE CORPORATION RECEIVED;

(II) THE AMOUNT OF INVESTMENT FUNDING THAT WAS AVAILABLE AT THE BEGINNING OF THE FISCAL YEAR;

(III) THE AMOUNT OF INVESTMENT FUNDING THAT WAS AVAILABLE AT THE END OF THE FISCAL YEAR;

(IV) THE AMOUNT OF INVESTMENT FUNDING THAT WAS REQUESTED;

(V) THE NUMBER OF APPLICANTS THE CORPORATION INVESTED IN; AND

(VI) THE AMOUNT OF INVESTMENT FUNDING THE COMMISSION AWARDED.

(2) THE INFORMATION REPORTED IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION SHALL:

(I) SPECIFY WHICH APPLICATIONS AND INVESTMENTS WERE FROM SOCIAL IMPACT FUNDS, SEED FUNDS, AND THE MARYLAND VENTURE FUND; AND

(II) IF AVAILABLE, PROVIDE INFORMATION THAT HAS BEEN DE-IDENTIFIED AND DISAGGREGATED ON APPLICANTS AND QUALIFIED BUSINESS FOUNDERS BY RACE, ETHNICITY, AGE, GENDER, DISABILITY STATUS, VETERAN STATUS, AND GEOGRAPHIC LOCATION AND THE DEGREE TO WHICH APPLICANTS AND FOUNDERS IDENTIFY WITH MORE THAN ONE DEMOGRAPHIC CATEGORY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2024.

Approved by the Governor, May 9, 2024.