
By: **Senators Forehand and Ruben**
Introduced and read first time: February 6, 1998
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development - Biotechnology Production Incentive Fund**

3 FOR the purpose of establishing the Biotechnology Production Incentive Fund in the
4 Department of Business and Economic Development; specifying the nature,
5 sources of funds, and purpose of the Fund; establishing certain procedures for
6 applying for and making a grant from the Fund; establishing a certain
7 limitation on the receipt of grants from the Fund; requiring the Department to
8 adopt certain regulations; defining certain terms; and generally relating to the
9 Biotechnology Production Incentive Fund.

10 BY adding to
11 Article 83A - Department of Business and Economic Development
12 Section 5-1301 through 5-1304, inclusive, and the subtitle "Subtitle 13.
13 Biotechnology Production Incentive Fund"
14 Annotated Code of Maryland
15 (1995 Replacement Volume and 1997 Supplement)

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

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

19 **SUBTITLE 13. BIOTECHNOLOGY PRODUCTION INCENTIVE FUND.**

20 5-1301.

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

23 (B) "DEPARTMENT" MEANS THE DEPARTMENT OF BUSINESS AND ECONOMIC
24 DEVELOPMENT.

25 (C) "ELIGIBLE BUSINESS" MEANS A FOR-PROFIT BUSINESS THAT:

26 (1) IS LOCATED IN THE STATE;

1 (2) IS ENGAGED IN THE DEVELOPMENT OR PRODUCTION OF
2 BIOTECHNOLOGY PRODUCTS, INCLUDING BIO-PHARMACOLOGICALS, BIOLOGICS,
3 THERAPEUTICS, AGRIBIO PRODUCTS, MEDICAL DEVICES, DIAGNOSTICS, BIOMEDICAL
4 INSTRUMENTS, AND CONSUMABLES; AND

5 (3) IS IN GOOD STANDING WITH EACH STATE REGULATORY AUTHORITY
6 WITH JURISDICTION OVER THE BUSINESS, INCLUDING THE STATE WORKERS'
7 COMPENSATION COMMISSION, THE DEPARTMENT OF ASSESSMENTS AND TAXATION,
8 AND THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT.

9 (D) "FUND" MEANS THE BIOTECHNOLOGY PRODUCTION INCENTIVE FUND.

10 5-1302.

11 (A) THERE IS A BIOTECHNOLOGY PRODUCTION INCENTIVE FUND IN THE
12 DEPARTMENT.

13 (B) THE FUND IS A NONLAPSING, REVOLVING FUND MANAGED AND
14 SUPERVISED BY THE DEPARTMENT.

15 (C) THE FUND MAY CONSIST OF ANY OF THE FOLLOWING:

16 (1) MONEYS APPROPRIATED BY THE STATE TO THE FUND;

17 (2) INCOME FROM INVESTMENTS THAT THE STATE TREASURER, ON
18 INSTRUCTION OF THE DEPARTMENT, MAKES FROM MONEYS IN THE FUND; AND

19 (3) ANY OTHER MONEYS MADE AVAILABLE TO THE FUND.

20 (D) THE PURPOSE OF THE FUND IS TO ENCOURAGE THE DEVELOPMENT AND
21 MANUFACTURE OF BIOTECHNOLOGY PRODUCTS IN FACILITIES IN THE STATE.

22 5-1303.

23 (A) TO APPLY FOR A GRANT, AN APPLICANT SHALL SUBMIT TO THE
24 DEPARTMENT AN APPLICATION ON THE FORM THAT THE DEPARTMENT REQUIRES.

25 (B) SUBJECT TO THE LIMITATION CONTAINED IN SUBSECTION (D) OF THIS
26 SECTION, THE DEPARTMENT MAY MAKE A GRANT FROM THE FUND TO AN ELIGIBLE
27 BUSINESS IF THE DEPARTMENT DETERMINES THAT THE GRANT WILL FACILITATE
28 THE GROWTH OF THE DEVELOPMENT AND PRODUCTION OF BIOTECHNOLOGY
29 PRODUCTS IN THE STATE.

30 (C) IN DETERMINING ELIGIBILITY, THE DEPARTMENT SHALL CONSIDER THE
31 EXTENT TO WHICH A GRANT TO AN ELIGIBLE BUSINESS WILL RESULT IN GROWTH IN
32 PRODUCTS DEVELOPED OR MANUFACTURED, THE NUMBER OF INDIVIDUALS
33 EMPLOYED, AND ASSETS OWNED BY THE ELIGIBLE BUSINESS.

34 (D) AN ELIGIBLE BUSINESS MAY NOT RECEIVE A GRANT IN EXCESS OF
35 \$250,000 A YEAR.

1 5-1304.

2 (A) THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT THIS
3 SUBTITLE.

4 (B) THE REGULATIONS SHALL INCLUDE PROCEDURES FOR APPLYING FOR A
5 GRANT FROM THE FUND AND CRITERIA FOR DETERMINING ELIGIBILITY.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 October 1, 1998.