

HOUSE BILL 1209

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2000 Regular Session
0lr0039

By: **Delegates Barve, Taylor, Dewberry, Hurson, Arnick, Bohanan, Busch,
Doory, Guns, Harrison, Hixson, Howard, Kopp, Menes, Montague,
Owings, Rawlings, Rosenberg, Vallario, and Wood**

Introduced and read first time: February 11, 2000

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 7, 2000

CHAPTER _____

1 AN ACT concerning

2 **Maryland Science, Engineering, and Technology Development Corporation**

3 FOR the purpose of altering the name of the Maryland Science, Engineering, and
4 Technology Development Corporation to the Maryland Technology Development
5 Corporation; altering the number of members and composition of the
6 Corporation's Board of Directors; providing the Corporation with the express
7 authority to fix, revise, and collect royalties ~~and~~ make grants and investments,
8 and engage certain persons; establishing the circumstances under which the
9 Corporation may deny inspection of certain records in order to allow the
10 Corporation to protect its trade secrets, confidential commercial information,
11 and confidential financial information; designating the Corporation's employees
12 and officials as State personnel for the purposes of the Maryland Tort Claims
13 Act; and generally relating to the Maryland Science, Engineering, and
14 Technology Development Corporation.

15 BY repealing and reenacting, with amendments,
16 Article 83A - Department of Business and Economic Development
17 Section 5-2A-01 through 5-2A-04
18 Annotated Code of Maryland
19 (1998 Replacement Volume and 1999 Supplement)

20 BY repealing and reenacting, without amendments,
21 Article - State Government
22 Section 10-618(a)
23 Annotated Code of Maryland

1 (1999 Replacement Volume)

2 BY adding to

3 Article - State Government

4 Section 10-618(i)

5 Annotated Code of Maryland

6 (1999 Replacement Volume)

7 BY repealing and reenacting, with amendments,

8 Article - State Government

9 Section 12-101(a)(2)

10 Annotated Code of Maryland

11 (1999 Replacement Volume)

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

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

15 5-2A-01.

16 In this subtitle, "Corporation" means the Maryland [Science, Engineering, and]
17 Technology Development Corporation.

18 5-2A-02.

19 (a) There is a Maryland [Science, Engineering, and] Technology Development
20 Corporation.

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

23 (c) The purpose of the Corporation is to:

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

27 (2) Assist in the commercialization of technology developed in the
28 private sector; and

29 (3) Foster the commercialization of research and development described
30 in items (1) and (2) of this subsection to create and sustain businesses throughout all
31 regions of the State.

32 5-2A-03.

33 (a) A Board of Directors shall manage the Corporation and exercise all of its
34 corporate powers.

1 (b) The Board of Directors shall consist of [11] 15 individuals, ONE OF WHOM
2 SHALL BE THE SECRETARY. THE REMAINING MEMBERS OF THE BOARD SHALL BE
3 appointed by the Governor with the advice and consent of the Senate.

4 (c) Of the [11] 14 remaining members:

- 5 (1) Two shall represent the nonprofit research sector of the State;
6 (2) Two shall have expertise in venture capital financing;
7 (3) [Two] FIVE shall have experience in technology-based businesses;
8 (4) Three shall be members of the general public; and
9 (5) Two shall represent colleges or universities.

10 (d) The Board members shall be Maryland residents.

11 (e) In appointing the Board members, the Governor shall consider all of the
12 geographic regions of the State.

13 (f) Each member shall serve without compensation, except that each member
14 shall be entitled to reimbursement for expenses under the Standard State Travel
15 Regulations as provided in the State budget.

16 (g) (1) [The] EXCEPT FOR THE SECRETARY, THE term of a Board member is
17 4 years.

18 (2) The terms of the members are staggered as required by the terms
19 provided for the Board members on July 1, 1998 AND JULY 1, 2000.

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

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

24 (h) The Governor may remove a Board member for incompetence, misconduct,
25 or failure to perform the duties of the position.

26 (i) A Chairman shall be elected from among the Board members.

27 (j) The Board may act with an affirmative vote of [six] EIGHT Board
28 members.

29 (k) The Corporation shall employ an executive director with experience and
30 qualifications relevant to the activities and the purposes of the Corporation.

31 5-2A-04.

32 (a) The Corporation may:

- 1 (1) Adopt bylaws for the regulation of its affairs and the conduct of its
2 business;
- 3 (2) Adopt and alter an official seal;
- 4 (3) Maintain offices at a place within the State that it designates;
- 5 (4) Apply for and accept loans, grants, or assistance in any form from
6 federal, State, or local governments, colleges or universities, or private sources;
- 7 (5) Make, execute, and enter into any contracts or legal instruments;
- 8 (6) Sue or be sued;
- 9 (7) Acquire, construct, develop, manage, market, manufacture, license,
10 sublicense, reconstruct, rehabilitate, improve, maintain, equip, lease as a lessor or as
11 a lessee, repair, and operate any project in the State to carry out its purposes;
- 12 (8) Acquire, purchase, hold, lease as a lessee, and use any:
- 13 (i) Franchise, patent, or license;
- 14 (ii) Any real, personal, mixed, or tangible or intangible property; or
- 15 (iii) Any interest in the property listed in items (i) and (ii) of this
16 item;
- 17 (9) Sell, lease as a lessor, transfer, license, sublicense, assign, and
18 dispose of any property or interest in it at any time acquired by the Corporation;
- 19 (10) Acquire, either directly or indirectly, from any person or political
20 subdivision, by purchase, gift, or devise any lands, structures, property, whether real
21 or personal, rights-of-way, franchises, easements, and any other interests in lands,
22 including lands lying under water and riparian rights which it considers necessary or
23 convenient for the construction, improvement, rehabilitation, or operation of a project
24 to carry out its purposes, on any terms and at any prices that it considers reasonable;
- 25 (11) Fix, revise, and collect rates, rentals, fees, ROYALTIES, and charges
26 for the use of or for services and resources provided or made available by the
27 Corporation;
- 28 (12) MAKE GRANTS TO OR PROVIDE EQUITY INVESTMENT FINANCING
29 FOR TECHNOLOGY-BASED BUSINESSES;
- 30 (13) ENGAGE ANY NECESSARY ACCOUNTANTS, ENGINEERS, FINANCIAL
31 ADVISORS, OR OTHER CONSULTANTS;
- 32 (14) WITH THE APPROVAL OF THE ATTORNEY GENERAL, WHO SHALL
33 OTHERWISE BE THE LEGAL ADVISOR TO THE CORPORATION, ENGAGE ANY
34 NECESSARY LAWYERS;

1 [(12)] ~~(13)-(15)~~ Do all things necessary and convenient to carry out the
2 powers granted by this subtitle; and

3 [(13)] ~~(14)-(16)~~ Exercise any power which is not in conflict with the
4 Constitution and the laws of this State.

5 (b) Colleges and universities may:

6 (1) Contract with the Corporation or its subsidiaries, if any;

7 (2) Assign to the Corporation or its subsidiaries, if any, intellectual
8 property and other resources to assist in its development and activities; and

9 (3) Assign faculty and staff to the Corporation.

10 **Article - State Government**

11 10-618.

12 (a) Unless otherwise provided by law, if a custodian believes that inspection of
13 a part of a public record by the applicant would be contrary to the public interest, the
14 custodian may deny inspection by the applicant of that part, as provided in this
15 section.

16 (I) A CUSTODIAN MAY DENY INSPECTION OF THAT PART OF A PUBLIC
17 RECORD THAT CONTAINS INFORMATION DISCLOSING OR RELATING TO A TRADE
18 SECRET, CONFIDENTIAL COMMERCIAL INFORMATION, OR CONFIDENTIAL
19 FINANCIAL INFORMATION OWNED IN WHOLE OR IN PART BY THE MARYLAND
20 TECHNOLOGY DEVELOPMENT CORPORATION.

21 12-101.

22 (a) In this subtitle, unless the context clearly requires otherwise, "State
23 personnel" means:

24 (2) an employee or official of the:

25 (i) Maryland Transportation Authority;

26 (ii) Injured Workers' Insurance Fund;

27 (iii) Maryland Stadium Authority;

28 (iv) Maryland Environmental Service;

29 (v) overseas programs of the University College of the University
30 System of Maryland; [and]

31 (vi) Maryland Economic Development Corporation; AND

32 (VII) MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION.

1 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the members
2 of the Board of Directors of the Maryland Technology Development Corporation
3 initially appointed under Section 1 of this Act shall expire in 2004.

4 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 July 1, 2000.