
By: **Delegate Barve (Montgomery County Administration)**

Introduced and read first time: February 1, 2001

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 21, 2001

CHAPTER _____

1 AN ACT concerning

2 **Maryland Technology Development Corporation - Maryland Technology**
3 **Incubator Program**

4 FOR the purpose of creating the Maryland Technology Incubator Program and
5 providing that the Program is administered by the Maryland Technology
6 Development Corporation; providing for the purpose of the Program;
7 authorizing the Board of Directors of the Corporation to use certain public and
8 private moneys in awarding ~~grants~~ financial assistance; requiring the Board, in
9 consultation with the Secretary of Economic and Business Development, to
10 adopt ~~certain regulations governing the criteria and requirements for~~
11 procedures for awarding grants financial assistance; authorizing the Board to
12 award ~~grants~~ financial assistance to certain entities; requiring the Board to
13 consider certain factors in awarding ~~grants~~ financial assistance; imposing
14 certain conditions for the receipt of ~~grants~~ financial assistance for certain
15 purposes; limiting the aggregate amount of ~~grants~~ financial assistance for those
16 purposes which may be made in each county in any single fiscal year; ~~requiring~~
17 ~~the Governor to fund the Program at a certain level in a future fiscal year;~~
18 defining certain terms; providing for an abnormal effective date; and generally
19 relating to the Maryland Technology Incubator Program.

20 BY adding to
21 Article 83A - Department of Business and Economic Development
22 Section 5-2A-04.1
23 Annotated Code of Maryland
24 (1998 Replacement Volume and 2000 Supplement)

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

Article 83A - Department of Business and Economic Development

2 5-2A-04.1.

3 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
4 INDICATED.

5 (2) "BOARD" MEANS THE BOARD OF DIRECTORS OF THE CORPORATION.

6 (3) "FINANCIAL ASSISTANCE" MEANS GRANTS, LOANS, CREDIT
7 ENHANCEMENTS, OR ANOTHER SIMILAR FORM OR MANNER OF ASSISTANCE.

8 (4) "PROGRAM" MEANS THE MARYLAND TECHNOLOGY INCUBATOR
9 PROGRAM.

10 (B) (1) THERE IS A MARYLAND TECHNOLOGY INCUBATOR PROGRAM.

11 (2) THE PROGRAM IS ADMINISTERED BY THE CORPORATION.

12 (C) THE PURPOSE OF THE PROGRAM IS TO PROMOTE ENTREPRENEURSHIP
13 AND THE CREATION OF JOBS IN TECHNOLOGY-RELATED INDUSTRY BY
14 ESTABLISHING AND OPERATING EFFECTIVE INCUBATORS THROUGHOUT THE STATE
15 THAT PROVIDE ADEQUATE PHYSICAL SPACE DESIGNED, AND PROGRAMS INTENDED,
16 TO INCREASE OR ACCELERATE BUSINESS SUCCESS IN THE FIELD OF TECHNOLOGY.

17 (D) (1) THE BOARD SHALL AWARD ~~GRANTS~~ FINANCIAL ASSISTANCE UNDER
18 THIS SECTION TO FURTHER THE PURPOSES STATED IN SUBSECTION (C) OF THIS
19 SECTION.

20 (2) THE BOARD MAY AWARD ~~GRANTS~~ FINANCIAL ASSISTANCE USING
21 MONEYS PROVIDED BY:

22 (I) THE STATE;

23 (II) THE FEDERAL GOVERNMENT; OR

24 (III) A NONGOVERNMENTAL ENTITY.

25 (3) AFTER CONSULTING WITH THE SECRETARY, THE BOARD SHALL
26 ESTABLISH CRITERIA AND REQUIREMENTS FOR THE AWARDING OF ~~GRANTS~~
27 FINANCIAL ASSISTANCE, WHICH SHALL:

28 (I) SUPPORT THE DEVELOPMENT AND USE OF BEST PRACTICES IN
29 THE INCUBATION PROCESS;

30 (II) PROVIDE STRATEGIC PLANNING, NEEDS ASSESSMENTS, AND
31 FEASIBILITY STUDIES; OR

32 (III) ASSIST IN THE ACQUISITION AND CONSTRUCTION OF NEW OR
33 EXPANDED SPACE OR THE RENOVATION OF EXISTING SPACE FOR AN INCUBATOR,
34 INCLUDING BY PROVIDING OR ASSISTING WITH:

- 1 1. LAND ACQUISITION;
- 2 2. THE OBTAINING OF ARCHITECTURAL AND ENGINEERING
- 3 SERVICES;
- 4 3. THE PAYMENT OF ADMINISTRATIVE COSTS;
- 5 4. THE DEVELOPMENT OR UPGRADING OF
- 6 COMMUNICATIONS INFRASTRUCTURE;
- 7 5. THE ACQUISITION OF FURNISHINGS AND EQUIPMENT; OR
- 8 6. THE ACQUISITION OR PURCHASE OF OTHER ITEMS
- 9 ASSOCIATED WITH TENANT ~~EXPANSION~~ BUILD-OUT.

10 (E) ~~(+)~~ THE BOARD MAY AWARD A ~~GRANT~~ FINANCIAL ASSISTANCE TO:

- 11 ~~(+)~~ ~~(1)~~ A LOCAL GOVERNMENT;
- 12 ~~(+)~~ ~~(2)~~ AN AGENCY OR INSTRUMENTALITY DESIGNATED BY THE
- 13 LOCAL GOVERNMENT, INCLUDING:
- 14 ~~+~~ ~~(1)~~ A NONPROFIT CORPORATION;
- 15 ~~+~~ ~~(2)~~ ~~(3)~~ A PUBLIC OR PRIVATE COLLEGE OR UNIVERSITY; ~~OR~~
- 16 ~~+~~ ~~(3)~~ ~~(4)~~ THE MARYLAND ECONOMIC DEVELOPMENT
- 17 CORPORATION; OR
- 18 ~~(+)~~ ~~(4)~~ ~~(5)~~ A NONPROFIT ENTITY OPERATING AN INCUBATOR IN THE
- 19 STATE.

20 ~~(2)~~ ~~IN DETERMINING WHETHER TO AWARD A GRANT UNDER~~

21 ~~SUBSECTION (D)(3)(III) OF THIS SECTION, THE BOARD SHALL CONSIDER:~~

- 22 ~~(I)~~ ~~WHETHER THE PROPOSED PROJECT IS CONSISTENT WITH THE~~
- 23 ~~STATE'S STRATEGIC ECONOMIC DEVELOPMENT PLAN;~~
- 24 ~~(II)~~ ~~WHETHER THE PROPOSED PROJECT IS LOCATED WITHIN A~~
- 25 ~~PRIORITY FUNDING AREA;~~
- 26 ~~(III)~~ ~~WHETHER THE PROPOSED PROJECT IS LOCATED WITHIN AN~~
- 27 ~~UNDERSERVED AREA;~~
- 28 ~~(IV)~~ ~~THE LEVEL OF FINANCIAL COMMITMENT THAT THE APPLICANT~~
- 29 ~~IS ABLE TO PROVIDE; AND~~
- 30 ~~(V)~~ ~~ANY OTHER FACTORS THAT THE BOARD DETERMINES TO BE~~
- 31 ~~APPROPRIATE.~~

1 (F) (1) UNLESS THE REQUIREMENT IS WAIVED BY THE BOARD IN WHOLE OR
2 PART, FOR GOOD CAUSE SHOWN, A RECIPIENT OF A GRANT UNDER SUBSECTION
3 (D)(3)(III) OF THIS SECTION SHALL PROVIDE MATCHING FUNDS OR IN-KIND
4 CONTRIBUTIONS FOR THE PROJECT THAT ARE AT LEAST EQUAL TO THE AMOUNT OF
5 THE GRANT AWARDED.

6 (2) UNLESS OTHERWISE APPROVED BY A TWO-THIRDS VOTE OF THE
7 MEMBERSHIP OF THE BOARD, THE BOARD MAY NOT AWARD GRANTS WITHIN A
8 SINGLE COUNTY OR WITHIN BALTIMORE CITY UNDER SUBSECTION (D)(3)(III) OF THIS
9 SECTION THAT EXCEED A TOTAL OF \$1,000,000 IN ANY FISCAL YEAR.

10 ~~SECTION 2. AND BE IT FURTHER ENACTED, That the Governor of~~
11 ~~Maryland shall include \$10,000,000 in the fiscal year 2003 State budget to fund the~~
12 ~~Maryland Technology Incubator Program.~~

13 SECTION ~~3.~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take
14 effect June 1, 2001.