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By: **Senators Hogan, Neall, and Teitelbaum**  
Introduced and read first time: February 2, 2001  
Assigned to: Finance and Budget and Taxation

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A BILL ENTITLED

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; requiring the Board, in consultation with  
9 the Secretary of Economic and Business Development, to adopt certain criteria  
10 and requirements for grants; authorizing the Board to award grants to certain  
11 entities; requiring the Board to consider certain factors in awarding grants;  
12 imposing certain conditions for the receipt of grants for certain purposes;  
13 limiting the aggregate amount of grants for those purposes which may be made  
14 in each county in any single fiscal year; requiring the Governor to fund the  
15 Program at a certain level in a future fiscal year; defining certain terms;  
16 providing for an abnormal effective date; and generally relating to the Maryland  
17 Technology Incubator Program.

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

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

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

26 5-2A-04.1.

27 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
28 INDICATED.

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

1 (3) "PROGRAM" MEANS THE MARYLAND TECHNOLOGY INCUBATOR  
2 PROGRAM.

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

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

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

10 (D) (1) THE BOARD SHALL AWARD GRANTS UNDER THIS SECTION TO  
11 FURTHER THE PURPOSES STATED IN SUBSECTION (C) OF THIS SECTION.

12 (2) THE BOARD MAY AWARD GRANTS USING MONEYS PROVIDED BY:

13 (I) THE STATE;

14 (II) THE FEDERAL GOVERNMENT; OR

15 (III) A NONGOVERNMENTAL ENTITY.

16 (3) AFTER CONSULTING WITH THE SECRETARY, THE BOARD SHALL  
17 ESTABLISH CRITERIA AND REQUIREMENTS FOR THE AWARDING OF GRANTS, WHICH  
18 SHALL:

19 (I) SUPPORT THE DEVELOPMENT AND USE OF BEST PRACTICES IN  
20 THE INCUBATION PROCESS;

21 (II) PROVIDE STRATEGIC PLANNING, NEEDS ASSESSMENTS, AND  
22 FEASIBILITY STUDIES; OR

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

26 1. LAND ACQUISITION;

27 2. THE OBTAINING OF ARCHITECTURAL AND ENGINEERING  
28 SERVICES;

29 3. THE PAYMENT OF ADMINISTRATIVE COSTS;

30 4. THE DEVELOPMENT OF COMMUNICATIONS  
31 INFRASTRUCTURE;

32 5. THE ACQUISITION OF FURNISHINGS AND EQUIPMENT; OR

1                                   6.       THE ACQUISITION OR PURCHASE OF OTHER ITEMS  
2 ASSOCIATED WITH TENANT EXPANSION.

3       (E)       (1)       THE BOARD MAY AWARD A GRANT TO:

4                                   (I)       A LOCAL GOVERNMENT;

5                                   (II)      AN AGENCY OR INSTRUMENTALITY DESIGNATED BY THE  
6 LOCAL GOVERNMENT, INCLUDING:

7                                   1.       A NONPROFIT CORPORATION;

8                                   2.       A PUBLIC COLLEGE OR UNIVERSITY; OR

9                                   3.       THE MARYLAND ECONOMIC DEVELOPMENT  
10 CORPORATION; OR

11                                  (III)     A NONPROFIT ENTITY OPERATING AN INCUBATOR IN THE  
12 STATE.

13                                  (2)       IN DETERMINING WHETHER TO AWARD A GRANT UNDER  
14 SUBSECTION (D)(3)(III) OF THIS SECTION, THE BOARD SHALL CONSIDER:

15                                  (I)       WHETHER THE PROPOSED PROJECT IS CONSISTENT WITH THE  
16 STATE'S STRATEGIC ECONOMIC DEVELOPMENT PLAN;

17                                  (II)      WHETHER THE PROPOSED PROJECT IS LOCATED WITHIN A  
18 PRIORITY FUNDING AREA;

19                                  (III)     WHETHER THE PROPOSED PROJECT IS LOCATED WITHIN AN  
20 UNDERSERVED AREA;

21                                  (IV)     THE LEVEL OF FINANCIAL COMMITMENT THAT THE APPLICANT  
22 IS ABLE TO PROVIDE; AND

23                                  (V)       ANY OTHER FACTORS THAT THE BOARD DETERMINES TO BE  
24 APPROPRIATE.

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

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

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

4 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
5 June 1, 2001.