

# SENATE BILL 735

C8

(8lr1411)

## **ENROLLED BILL**

—*Finance/Economic Matters*—

Introduced by **Senators Miller, Astle, Brinkley, Colburn, Conway, Currie, DeGrange, Dyson, Edwards, Forehand, Frosh, Garagiola, Gladden, Jacobs, Jones, Kasemeyer, Kelley, King, Kittleman, Klausmeier, Kramer, Lenett, Madaleno, McFadden, Middleton, Mooney, Munson, Muse, Peters, Pugh, Raskin, Robey, Rosapepe, Stone, ~~and Zirkin~~ Zirkin, and Glassman**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Coordinating Emerging Nanobiotechnology Research (CENTR) in Maryland**  
3 **Program**

4 FOR the purpose of establishing the Coordinating Emerging Nanobiotechnology  
5 Research in Maryland Program to be administered by the Maryland Technology  
6 Development Corporation to provide grants for certain nanobiotechnology  
7 research projects; establishing the purposes of the Program; establishing certain  
8 types of grants to be awarded under the Program; declaring the intent of the  
9 General Assembly; requiring the Corporation to adopt certain regulations;  
10 requiring the Corporation to include certain information in a certain report to

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### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics* indicate opposite chamber / conference committee amendments.



the General Assembly; defining certain terms; expressing certain legislative intent related to certain appropriations ~~to the Program~~; and generally relating to the creation of a program for nanobiotechnology research.

BY adding to

Article – Economic Development

Section 10–445 through 10–451 to be under the new part “Part IV. Coordinating Emerging Nanobiotechnology Research in Maryland Program”

Annotated Code of Maryland

(As enacted by Chapter \_\_ (H.B. 1050)(8lr0698) of the Acts of the General Assembly of 2008)

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

**Article – Economic Development**

**10–443. RESERVED.**

**10–444. RESERVED.**

**PART IV. COORDINATING EMERGING NANOBIOTECHNOLOGY RESEARCH IN MARYLAND PROGRAM.**

**10–445.**

(A) IN THIS PART THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “CENTR MARYLAND PROGRAM” OR “PROGRAM” MEANS THE COORDINATING EMERGING NANOBIOTECHNOLOGY RESEARCH PROGRAM ESTABLISHED UNDER § 10–447 OF THIS SUBTITLE.

(C) “FUND” MEANS THE COORDINATING EMERGING NANOBIOTECHNOLOGY RESEARCH IN MARYLAND FUND ESTABLISHED UNDER § 10–448 OF THIS SUBTITLE.

(D) “NANOBIOTECHNOLOGY” MEANS THE APPLICATION OF NANOTECHNOLOGY TO THE LIFE SCIENCES INCLUDING RESEARCH RELATING TO THE CHARACTERIZATION OF NANOMATERIALS FOR HEALTH AND ENVIRONMENTAL SAFETY IMPLICATIONS.

**10–446.**

THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

1           (1)    NANOBIOTECHNOLOGY OFFERS TREMENDOUS POTENTIAL TO  
2    REVOLUTIONIZE MEDICAL AND LIFE SCIENCE RESEARCH AND TO ENABLE  
3    DISCOVERIES THAT WILL ENRICH AND IMPROVE THE QUALITY OF LIFE FOR THE  
4    PEOPLE OF THE STATE;

5           (2)    THE PROVISION OF FUNDS FOR NANOBIOTECHNOLOGY  
6    PROJECTS IS VITAL TO SUPPORTING THIS EMERGING TECHNOLOGY; AND

7           (3)    FOSTERING PARTNERSHIPS AMONG FEDERAL INSTITUTIONS,  
8    PRIVATE SECTOR ENTITIES, AND INSTITUTIONS OF HIGHER EDUCATION WILL  
9    HELP SECURE THE STATE'S POSITION AS A LEADER IN NANOBIOTECHNOLOGY  
10   RESEARCH AND ASSIST IN SECURING THE STATE'S ECONOMIC FUTURE.

11   **10-447.**

12           (A)    THERE IS A COORDINATING EMERGING NANOBIOTECHNOLOGY  
13   RESEARCH IN MARYLAND PROGRAM.

14           (B)    THE PURPOSE OF THE CENTR MARYLAND PROGRAM IS TO:

15                   (1)    SUPPORT   AND   PROMOTE   ADVANCED   RESEARCH   IN  
16   NANOBIOTECHNOLOGY IN THE STATE;

17                   (2)    SUPPORT NANOBIOTECHNOLOGY RESEARCH ACTIVITIES AT  
18   POSTSECONDARY EDUCATION INSTITUTIONS; AND

19                   (3)    ESTABLISH THE STATE AS A KEY LOCATION FOR  
20   NANOBIOTECHNOLOGY RESEARCH AND INDUSTRY.

21   **10-448.**

22           (A)    THERE IS A COORDINATING EMERGING NANOBIOTECHNOLOGY  
23   RESEARCH IN MARYLAND FUND IN THE CORPORATION.

24           (B)    (1)    THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT  
25   SUBJECT TO REVERSION UNDER § 7-302 OF THE STATE FINANCE AND  
26   PROCUREMENT ARTICLE.

27                   (2)    THE TREASURER SHALL HOLD THE FUND SEPARATELY, AND  
28   THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

29           (C)    THE FUND CONSISTS OF:

(1) APPROPRIATIONS AS PROVIDED IN THE STATE BUDGET; AND

(2) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE CENTR MARYLAND PROGRAM.

(D) THE EXECUTIVE DIRECTOR OF THE CORPORATION, OR THE EXECUTIVE DIRECTOR'S DESIGNEE, SHALL ADMINISTER THE FUND IN ACCORDANCE WITH THIS PART AND OTHER APPLICABLE LAW.

(E) THE FUND SHALL BE USED TO COVER THE COSTS OF THE PROGRAM, INCLUDING ANY GRANTS THAT ARE AWARDED TO ELIGIBLE RECIPIENTS.

(F) (1) THE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

(G) THE LEGISLATIVE AUDITOR SHALL AUDIT THE ACCOUNTS AND TRANSACTIONS OF THE FUND AS PROVIDED IN § 2-1220 OF THE STATE GOVERNMENT ARTICLE.

**10-449.**

(A) ~~SUBJECT~~ WITHIN THE CENTR MARYLAND PROGRAM, SUBJECT TO AVAILABLE FUNDING, THE CORPORATION SHALL AWARD CAPITAL AND OPERATING GRANTS FROM THE FUND TO PRIVATE SECTOR ENTITIES AND INSTITUTIONS OF HIGHER EDUCATION IN THE STATE TO:

(1) LEVERAGE FEDERAL FUNDING FOR THE ESTABLISHMENT OR CONSTRUCTION OF RESEARCH CENTERS IN THE STATE;

(2) PROVIDE PILOT FUNDING FOR FACULTY AT INSTITUTIONS OF HIGHER EDUCATION IN THE STATE TO DEVELOP INITIAL RESEARCH DATA FOR THE DEVELOPMENT OF LARGER GRANT FUNDING PROPOSALS;

(3) FOSTER PUBLIC-PRIVATE PARTNERSHIPS BETWEEN PRIVATE INDUSTRY AND INSTITUTIONS OF HIGHER EDUCATION IN THE STATE; AND

(4) ASSIST WITH THE TRANSFER OF NANOBIO TECHNOLOGY RESEARCH INTO COMMERCIAL APPLICATIONS.

(B) WITHIN THE CENTR MARYLAND PROGRAM, THE CORPORATION MAY AWARD OPERATING GRANTS FROM THE FUND TO INSTITUTIONS OF HIGHER EDUCATION THAT SHALL INCLUDE:

(1) DISCOVERY EDUCATIONAL GRANTS TO SUPPORT POSTDOCTORATE OR GRADUATE-LEVEL COLLABORATION WITH PRIVATE SECTOR ENTITIES ON NANOBIO TECHNOLOGY PROJECTS THAT:

(I) SHALL BE SUBJECT TO SUPERVISION BY FACULTY MEMBERS; AND

(II) REQUIRE A MATCHING SUM, EITHER DIRECT OR IN-KIND, FROM A PRIVATE SECTOR ENTITY EQUIVALENT TO THE GRANT AMOUNT;

(2) COLLABORATIVE GRANTS TO SUPPORT RESEARCH TEAMS FROM INSTITUTIONS OF HIGHER EDUCATION WORKING WITH PRIVATE SECTOR ENTITIES ON COLLABORATIVE RESEARCH PROJECTS THAT:

(I) FOCUS ON SPECIFIC APPLICATION DEVELOPMENT; AND

(II) REQUIRE A MATCHING SUM FROM PRIVATE SECTOR ENTITY EQUIVALENT TO THE GRANT AMOUNT; AND

(3) PROTOTYPE GRANTS TO ENABLE INSTITUTIONS OF HIGHER EDUCATION AND PRIVATE SECTOR ENTITIES TO ENGAGE IN PROJECTS THAT:

(I) DEMONSTRATE WHETHER A PROTOTYPE IS FUNCTIONAL AND MANUFACTURABLE;

(II) DEMONSTRATE THE COST EFFECTIVENESS OF NANOTECHNOLOGY-RELATED APPLICATIONS; AND

(III) SHALL BE MATCHED WITH AN INDUSTRY GRANT IN AN AMOUNT OF AT LEAST \$2 FOR EVERY \$1 OF THE PROTOTYPE GRANT.

**10-450.**

(A) THE CORPORATION SHALL ADOPT REGULATIONS TO ESTABLISH:

(1) A COMPETITIVE APPLICATION PROCESS; AND

(2) CRITERIA AND PROCEDURES FOR ~~DISBURSING~~ AWARDING GRANTS FROM THE ~~PROGRAM~~ FUND TO ELIGIBLE RECIPIENTS.

1           **(B) (1) IN ACCORDANCE WITH THIS PART, ALL PRIVATE SECTOR**  
2 **ENTITIES IN THE STATE AND ALL INSTITUTIONS OF HIGHER EDUCATION IN THE**  
3 **STATE MAY BE ELIGIBLE RECIPIENTS OF GRANTS.**

4           **(2) PRIORITY FOR THE AWARD OF ANY GRANT SHALL BE GIVEN**  
5 **TO THOSE PROJECTS THAT ARE MOST LIKELY TO:**

6           ~~(1)~~ **(I) ATTRACT SIGNIFICANT INVESTMENT IN THE STATE;**

7           ~~(2)~~ **(II) LEVERAGE SIGNIFICANT ADDITIONAL GRANT OR**  
8 **RESEARCH FUNDING FROM FEDERAL OR PRIVATE SECTOR SOURCES; OR**

9           ~~(3)~~ **(III) ESTABLISH THE STATE AS A KEY LOCATION FOR**  
10 **NANOBIOTECHNOLOGY RESEARCH AND INDUSTRY.**

11 **10-451.**

12           **THE CORPORATION SHALL INCLUDE, AS PART OF ITS ANNUAL REPORT TO**  
13 **THE GOVERNOR AND GENERAL ASSEMBLY UNDER § 10-415 OF THIS SUBTITLE,**  
14 **A DETAILED DESCRIPTION OF THE GRANTS AWARDED UNDER THIS PART.**

15           ~~SECTION 2. AND BE IT FURTHER ENACTED, That the General Assembly~~  
16 ~~encourages the Governor to include at least \$5,000,000 in the State budget for the~~  
17 ~~Fund each fiscal year for grants to be awarded from the Program under the CENTR~~  
18 ~~Maryland Program established under this Act.~~

19           SECTION ~~2.~~ **2.** AND BE IT FURTHER ENACTED, That ~~funding provided by it~~  
20 ~~is the intent of the General Assembly that funding provided to implement~~ this Act shall  
21 be in addition to and may not supplant funds ~~already appropriated for this purpose,~~ or  
22 alter the administration of funding, currently provided in the State budget to support  
23 other nanobiotechnology programs in the State.

24           SECTION ~~4.~~ **3.** AND BE IT FURTHER ENACTED, That this Act shall take  
25 effect October 1, 2008.