

HOUSE BILL 1086

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By: **Delegates Lee, Barkley, Bronrott, Dumais, Hecht, Hucker, Montgomery, Valderrama, and Waldstreicher**

Introduced and read first time: February 13, 2009

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Business and Economic Development – Grants for Nanotechnology**

3 FOR the purpose of making nanotechnology enterprises eligible for certain
4 assistance from the Maryland Economic Development Assistance Fund;
5 providing that the assistance from the Fund to a nanotechnology enterprise may
6 constitute a certain percentage of the total costs of the project being financed;
7 expanding the purposes of the Program to include nanotechnology; expanding
8 the types of grants to be awarded under the Program to include nanotechnology;
9 declaring the intent of the General Assembly; requiring the Maryland Economic
10 Development Corporation to adopt certain regulations; defining certain terms;
11 expressing certain legislative priorities related to certain appropriations under
12 the Program; making stylistic changes; and generally relating to the creation of
13 a program for nanotechnology and nanobiotechnology research.

14 BY repealing and reenacting, without amendments,
15 Article – Economic Development
16 Section 5–310
17 Annotated Code of Maryland
18 (2008 Volume)

19 BY repealing and reenacting, with amendments,
20 Article – Economic Development
21 Section 5–311, 5–321(b)(1), and 5–325(b)(2); and 10–445 through 10–450
22 Annotated Code of Maryland
23 (2008 Volume)

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

26 **Article – Economic Development**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 5-310.

2 There is a Maryland Economic Development Assistance Fund in the
3 Department.

4 5-311.

5 The purposes of the Fund are to:

6 (1) expand employment opportunities in the State by providing
7 financial assistance to businesses that are engaged in eligible industry sectors,
8 including financial assistance for:

9 (i) animal waste technology projects;

10 (ii) aquaculture projects;

11 (iii) arts and entertainment enterprises;

12 (iv) arts and entertainment projects; [and]

13 (v) creation and expansion of child care facilities; **AND**

14 **(VI) NANOTECHNOLOGY ENTERPRISES;**

15 (2) provide financial assistance for the redevelopment of qualified
16 brownfields sites;

17 (3) provide financial assistance to local governments and the
18 Corporation for economic development projects; and

19 (4) provide grants to local economic development funds.

20 5-321.

21 (b) (1) For the purpose of providing financial assistance under this
22 subtitle, the following are deemed to be in eligible industry sectors:

23 (i) animal waste technology projects;

24 (ii) aquaculture projects;

25 (iii) arts and entertainment enterprises;

26 (iv) arts and entertainment projects;

- 1 (v) redevelopment of qualified brownfields sites;
- 2 (vi) creation or expansion of child care facilities;
- 3 (vii) projects in areas that are declared to be federal disaster
4 areas within 1 year before the Department receives an application for financial
5 assistance under this subtitle; [and]
- 6 (viii) feasibility studies; **AND**
- 7 **(IX) NANOTECHNOLOGY ENTERPRISES.**

8 5–325.

9 (b) (2) Financial assistance from the Fund may constitute 100% of the
10 total costs of the project being financed if:

- 11 (i) the recipient is the Corporation; or
- 12 (ii) the financial assistance is for:
- 13 1. an arts and entertainment enterprise;
- 14 2. an arts and entertainment project; [or]
- 15 3. a qualified distressed county project; **OR**
- 16 4. **A NANOTECHNOLOGY ENTERPRISE.**

17 10–445.

18 (a) In this part the following words have the meanings indicated.

19 (b) “CENTR Maryland Program” or “Program” means the Coordinating
20 Emerging Nanobiotechnology Research **IN MARYLAND** Program established under §
21 10–447 of this subtitle.

22 (c) “Fund” means the Coordinating Emerging Nanobiotechnology Research
23 in Maryland Fund established under § 10–448 of this subtitle.

24 (d) “Nanobiotechnology” means the application of nanotechnology to the life
25 sciences including research relating to the characterization of nanomaterials for
26 health and environmental safety implications.

27 **(E) (1) “NANOTECHNOLOGY” MEANS THE STUDY AND CONTROL OF**
28 **MATTER AT DIMENSIONS BETWEEN APPROXIMATELY 1 AND 100 NANOMETERS.**

1 (2) **“NANOTECHNOLOGY”** **INCLUDES** **NANOSCIENCE,**
2 **ENGINEERING, MANUFACTURING, AND TECHNOLOGY.**

3 10–446.

4 The General Assembly finds and declares that:

5 (1) **NANOTECHNOLOGY AND** nanobiotechnology [offers] **OFFER**
6 tremendous potential to [revolutionize medical and life science research and to] enable
7 discoveries that will enrich and improve the quality of life for the people of the State;

8 (2) the provision of funds for **NANOTECHNOLOGY AND**
9 nanobiotechnology projects is vital to supporting this emerging technology; and

10 (3) fostering partnerships among federal institutions, private sector
11 entities, and institutions of higher education will help secure the State’s position as a
12 leader in **NANOTECHNOLOGY AND** nanobiotechnology research and assist in securing
13 the State’s economic future.

14 10–447.

15 (a) There is a Coordinating Emerging Nanobiotechnology Research in
16 Maryland Program.

17 (b) The purpose of the CENTR Maryland Program is to:

18 (1) support and promote advanced research in **NANOTECHNOLOGY**
19 **AND** nanobiotechnology in the State;

20 (2) support **NANOTECHNOLOGY AND** nanobiotechnology research
21 activities at postsecondary education institutions; and

22 (3) establish the State as a key location for **NANOTECHNOLOGY AND**
23 nanobiotechnology research and industry.

24 10–448.

25 (a) There is a Coordinating Emerging Nanobiotechnology Research in
26 Maryland Fund in the Corporation.

27 (b) (1) The Fund is a special, nonlapsing fund that is not subject to
28 reversion under § 7–302 of the State Finance and Procurement Article.

29 (2) The Treasurer shall hold the Fund separately, and the Comptroller
30 shall account for the Fund.

31 (c) The Fund consists of:

1 (1) appropriations as provided in the State budget; and

2 (2) any other money from any other source accepted for the benefit of
3 the CENTR Maryland Program.

4 (d) The Executive Director of the Corporation, or the Executive Director's
5 designee, shall administer the Fund in accordance with this part and other applicable
6 law.

7 (e) The Fund shall be used to cover the costs of the Program, including any
8 grants that are awarded to eligible recipients.

9 (f) (1) The Treasurer shall invest the money of the Fund in the same
10 manner as other State money may be invested.

11 (2) Any investment earnings of the Fund shall be credited to the Fund.

12 (g) The Legislative Auditor shall audit the accounts and transactions of the
13 Fund as provided in § 2-1220 of the State Government Article.

14 10-449.

15 (a) Within the CENTR Maryland Program, subject to available funding, the
16 Corporation shall award capital and operating grants from the Fund to private sector
17 entities and institutions of higher education in the State to:

18 (1) leverage federal funding for the establishment or construction of
19 research centers in the State;

20 (2) provide pilot funding for faculty at institutions of higher education
21 in the State to develop initial research data for the development of larger grant
22 funding proposals;

23 (3) foster public-private partnerships between private industry and
24 institutions of higher education in the State; and

25 (4) assist with the transfer of **NANOTECHNOLOGY AND**
26 nanobiotechnology research into commercial applications.

27 (b) Within the CENTR Maryland Program, the Corporation may award
28 operating grants from the Fund to institutions of higher education that shall include:

29 (1) discovery educational grants to support postdoctorate or
30 graduate-level collaboration with private sector entities on **NANOTECHNOLOGY AND**
31 nanobiotechnology projects that:

1 (i) shall be subject to supervision by faculty members; and

2 (ii) require a matching sum, either direct or in-kind, from a
3 private sector entity equivalent to the grant amount;

4 (2) collaborative grants to support research teams from institutions of
5 higher education working with private sector entities on collaborative research
6 projects that:

7 (i) focus on specific application development; and

8 (ii) require a matching sum from A private sector entity
9 equivalent to the grant amount; and

10 (3) prototype grants to enable institutions of higher education and
11 private sector entities to engage in projects that:

12 (i) demonstrate whether a prototype is functional and
13 manufacturable;

14 (ii) demonstrate the cost effectiveness of
15 nanotechnology-related applications; and

16 (iii) shall be matched with an industry grant in an amount of at
17 least \$2 for every \$1 of the prototype grant.

18 10-450.

19 (a) The Corporation shall adopt regulations to establish:

20 (1) a competitive application process; and

21 (2) criteria and procedures for awarding grants from the Fund to
22 eligible recipients.

23 (b) (1) In accordance with this part, all private sector entities in the State
24 and all institutions of higher education in the State may be eligible recipients of
25 grants.

26 (2) Priority for the award of any grant shall be given to those projects
27 that are most likely to:

28 (i) attract significant investment in the State;

29 (ii) leverage significant additional grant or research funding
30 from federal or private sector sources; or

1 (iii) establish the State as a key location for
2 **NANOTECHNOLOGY AND** nanobiotechnology research and industry.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2009.