

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1124
Economic Matters

(Delegate Lee, *et al.*)

Finance

Coordinating Emerging Nanobiotechnology Research in Maryland Program -
Public-Private Partnerships

This bill requires the Maryland Technology Development Corporation (TEDCO) to foster public-private partnerships as feasible to carry out the purpose of the Coordinating Emerging Nanobiotechnology Research in Maryland (CENTR) Program.

Fiscal Summary

State Effect: Special fund revenues for the CENTR program increase to the extent public-private partnerships leverage additional funding. State higher education institutions may benefit from additional CENTR funding for competitive awards.

Local Effect: None.

Small Business Effect: Potential meaningful impact on small nanobiotechnology businesses.

Analysis

Current Law/Background: Chapter 446 of 2008 established the CENTR Program and Fund. The Act requires that the program be administered by TEDCO for the purpose of providing operating and capital grants for nanobiotechnology research projects. Specifically, the purpose of the CENTR program is to support advanced nanobiotechnology research at higher education institutions and promote Maryland as a key location for private-sector firms in the industry.

Subject to available funding in the CENTR Fund, TEDCO is required to award grants to private entities and higher education institutions in Maryland to (1) leverage federal funding for the establishment of new research centers; (2) provide pilot funding within higher education institutions in order to provide the data necessary for the development

of larger grant funding proposals; (3) foster public-private partnerships; and (4) assist in nanobiotechnology transfer for commercial applications.

TEDCO may also award operating grants to higher education institutions for (1) discovery educational grants that require collaboration and matching funds from private entities; (2) grants that focus on specific applications of nanobiotechnology and require collaboration and matching funds from private entities; and (3) the development of functional and cost-effective prototypes supported by a two-for-one match in funds by private entities.

The CENTR Fund consists of State appropriations and funds from any other source for the benefit of the CENTR program. The fiscal 2009 State budget includes in the appropriation for the Department of Business and Economic Development's (DBED) Maryland Economic Development Assistance Authority and Fund authorizing \$3 million to be used as operating and capital grants for the development of nanobiotechnology research and industry.

In February 2009, TEDCO, in consultation with DBED, released a request for application for candidates for what is now called the 2009 Maryland Nanobiotechnology Research and Industry Competition Grants. The notice specifies that applications must be Maryland-sited and may include any institution of higher education, public or private; nonprofit organizations; or for-profit entities, including small businesses. Each award is capped at \$250,000.

No further funding has been provided in the fiscal 2010 State budget for the emerging technology competitive grants.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Business and Economic Development, Independent College and University Association, University System of Maryland, Department of Legislative Services

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