

SENATE BILL 1057

C8

6lr3525
CF HB 1532

By: **Senator King**

Introduced and read first time: February 18, 2016

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Technology Development Corporation – Maryland Innovation**
3 **Initiative – Financing Authority**

4 FOR the purpose of authorizing the Maryland Innovation Initiative in the Maryland
5 Technology Development Corporation to provide certain financing to certain
6 universities or certain entities to promote the commercialization of certain
7 intellectual property, assess certain issues, and pay certain costs; expanding the
8 authority of the Corporation to use money in the Maryland Innovation Initiative
9 Fund to provide certain financing; and generally relating to the financing authority
10 of the Maryland Innovation Initiative.

11 BY repealing and reenacting, without amendments,
12 Article – Economic Development
13 Section 10–457(a)
14 Annotated Code of Maryland
15 (2008 Volume and 2015 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Economic Development
18 Section 10–457(e) and 10–458
19 Annotated Code of Maryland
20 (2008 Volume and 2015 Supplement)

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

23 **Article – Economic Development**

24 10–457.

25 (a) There is a Maryland Innovation Initiative Fund.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (e) Money in the Fund may be used only to:

2 (1) award grants **OR PROVIDE EQUITY INVESTMENT FINANCING** to
3 promote the commercialization of research in accordance with the terms of this part; and

4 (2) pay the costs necessary to administer the Initiative.

5 10-458.

6 (a) The Initiative may:

7 (1) provide grant funding **OR EQUITY INVESTMENT FINANCING** to a
8 qualifying university, qualifying university-based entrepreneur, or other start-up entity,
9 to promote the commercialization of technology developed in whole or in part by a
10 qualifying university;

11 (2) pursue grants, other funds, and in-kind contributions for the Initiative
12 or its qualifying universities;

13 (3) develop and implement guidelines for technology transfer; and

14 (4) identify projects at qualifying universities that may be viable for
15 commercialization.

16 (b) The grant funding **OR EQUITY INVESTMENT FINANCING** in subsection (a)
17 shall be awarded:

18 (1) to support pre-commercial research on intellectual property to increase
19 the likelihood of commercializing the intellectual property;

20 (2) to defray costs of evaluating the feasibility of a technology becoming
21 commercialized through a start-up company;

22 (3) to defray the direct costs of developing early stage technology through
23 a start-up entity;

24 (4) to assess intellectual property issues, including licensing and patents;
25 or

26 (5) for any other costs that the Initiative's participating members
27 determine are appropriate to promote technology transfer and commercialization in the
28 State.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
30 1, 2016.