CHAPTER ______

1 AN ACT concerning

2 Economic Development – Maryland Technology Infrastructure Pilot Program – Establishment

4 FOR the purpose of establishing the Maryland Technology Infrastructure Pilot Program in
  the Maryland Technology Development Corporation; establishing the purposes of the
  Program; establishing the Maryland Technology Infrastructure Authority; providing
  for the appointment of members, the selection of officers, and the purposes and
  procedures of the Authority; establishing the Maryland Technology Infrastructure
  Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the
  Executive Director of the Corporation or the Executive Director’s designee to
  administer the Fund; requiring the State Treasurer to hold the Fund and the
  Comptroller to account for the Fund; specifying the contents of the Fund; providing
  for the investment of money in and expenditures from the Fund; requiring interest
  earnings of the Fund to be credited to the Fund; exempting the Fund from a certain
  provision of law requiring interest earnings on State money to accrue to the General
  Fund of the State; providing that the Fund is subject to a certain audit; requiring the
  Program to provide certain financial assistance to certain entities for certain
  purposes, subject to certain conditions; requiring certain projects to be given priority
  for certain awards of financial assistance; requiring the Authority to adopt certain
  regulations; requiring the Corporation and the Authority to report to the Governor
  and the General Assembly on or before a certain date; defining certain terms; and
  generally relating to the Maryland Technology Infrastructure Pilot Program and the
  Maryland Technology Development Corporation.

24 BY adding to

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.
Section 10–4C–01 through 10–4C–10 to be under the new subtitle “Subtitle 4C. Maryland Technology Infrastructure Pilot Program”

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(i)

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)122. and 123.

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

BY adding to

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)124.

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

That the Laws of Maryland read as follows:

Article – Economic Development

SUBTITLE 4C. MARYLAND TECHNOLOGY INFRASTRUCTURE PILOT PROGRAM.

10–4C–01.

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

(B) “AUTHORITY” MEANS THE MARYLAND TECHNOLOGY INFRASTRUCTURE AUTHORITY.

(C) “CORPORATION” MEANS THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION.

(D) “FINANCIAL ASSISTANCE” MEANS A GRANT, A LOAN, A CREDIT ENHANCEMENT, AN INVESTMENT, OR SIMILAR ASSISTANCE.

(E) “FUND” MEANS THE MARYLAND TECHNOLOGY INFRASTRUCTURE
(F) “Program” means the Maryland Technology Infrastructure Pilot Program.

(G) “Project” means a large-scale, transformative infrastructure initiative intended to promote the development and growth of innovation–based business in Western Maryland.

(H) “Western Maryland” means Allegany, Garrett, and Washington counties.

10–4C–02.

(A) There is a Maryland Technology Infrastructure Pilot Program in the Corporation.

(B) The purpose of the Program is to:

(1) Establish a Program in Western Maryland to support the innovation economy by incentivizing the development of advanced industry infrastructure and resources that build on the existing strengths of the region’s economy;

(2) Support the growth of and incentivize the attraction and retention of early-stage innovation–based business in Western Maryland through the creation of supporting infrastructure and resources;

(3) Manage a Maryland Technology Infrastructure Fund for financial assistance in projects to support the Program; and

(4) Evaluate the efficacy of the Program for future expansion to other parts of the State.

10–4C–03.

(A) There is a Maryland Technology Infrastructure Authority in the Corporation.

(B) The Corporation shall provide staff to the Authority and may employ or contract with experts to assist with the administration and management of the Program.
10–4C–04.

(A) The Authority consists of the following members:

(1) Three members appointed by the Governor who:

   (i) Two of whom are entrepreneurs or business owners in Western Maryland; and

   (ii) One of whom has experience in venture capital or economic development;

(2) The President of Frostburg State University, or the President’s designee;

(3) The President of a community college located in Western Maryland, or the President’s designee, appointed by the Maryland Association of Community Colleges; and

(4) The Executive Director of the Corporation, or the Executive Director’s designee.

(B) Each member shall be a resident of the State.

10–4C–05.

(A) (1) Three members of the Authority are a quorum.

   (2) An act of the Authority must be approved by a majority vote of the members attending a meeting at which a quorum is present.

(B) A member of the Authority:

   (1) May not receive compensation as a member of the Authority; but

   (2) Is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(C) A member of the Authority shall file an annual public disclosure of financial interests as required under the Maryland Public Ethics Law.

(D) Each member of the Authority shall disclose to the State Ethics Commission whether the member is employed by or has a financial
INTEREST IN AN ENTITY THAT MAY APPLY FOR FUNDING FROM THE FUND.

10–4C–06.

THE AUTHORITY SHALL PROVIDE ADVICE TO AND CONSULT WITH THE CORPORATION IN CONNECTION WITH THE ADMINISTRATION OF THE PROGRAM UNDER THIS SUBTITLE.

10–4C–07.

(A) THERE IS A MARYLAND TECHNOLOGY INFRASTRUCTURE FUND IN THE CORPORATION.

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

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

(C) THE FUND CONSISTS OF:

(1) APPROPRIATIONS AS PROVIDED IN THE STATE BUDGET;

(2) ANY INTEREST EARNINGS OF THE FUND; AND

(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE PROGRAM.

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

(E) THE FUND SHALL BE USED TO COVER THE COSTS OF THE PROGRAM, INCLUDING:

(1) ANY ADMINISTRATIVE COSTS; AND

(2) ANY FINANCIAL ASSISTANCE THAT IS AWARDED TO ELIGIBLE RECIPIENTS.

(F) (1) THE STATE 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 Office of Legislative Audits shall audit the account and transactions of the Fund are subject to audit by the Office of Legislative Audits as provided in § 2–1220 of the State Government Article.

10–4C–08.

(A) Within the Program, subject to available funding, and on the recommendation of the Authority, the Corporation shall award financial assistance from the Fund to public or private entities in the State, including institutions of higher education, to:

(1) Support large–scale infrastructure or resource projects in Western Maryland to attract talent, foster collaboration, and enable concentration and growth of advanced industries;

(2) Foster public–private collaborations to encourage development of shared infrastructure and resources; and

(3) Support talent development initiatives that address critical skill shortage areas in industries critical to growth in Western Maryland.

(B) The Fund may not contribute more than:

(1) One–third of the total cost of the project; or

(2) $500,000 per project.

10–4C–09.

(A) The Authority shall adopt regulations to establish:

(1) A competitive application process; and

(2) Criteria and procedures for awarding financial assistance from the Fund to eligible recipients, including criteria that examine:

(i) The project’s potential impact on the local economy;
(II) THE PROJECT’S LIKELIHOOD TO FOSTER JOB CREATION;

AND

(III) CAPITAL INVESTMENT IN THE PROJECT.

(B) (1) IN ACCORDANCE WITH THIS SUBTITLE, ALL PRIVATE SECTOR
EDTITIES IN THE STATE AND ALL INSTITUTIONS OF HIGHER EDUCATION IN THE
STATE MAY BE ELIGIBLE RECIPIENTS OF FINANCIAL ASSISTANCE.

(2) PRIORITY FOR THE AWARD OF ANY FINANCIAL ASSISTANCE SHALL
BE GIVEN TO THOSE PROJECTS MOST LIKELY TO:

(I) ATTRACT SIGNIFICANT INVESTMENT IN THE STATE;

(II) RESULT IN SIGNIFICANT COMPANY FORMATION, EXPANSION, OR JOB CREATION; OR

(III) RESULT IN MEANINGFUL ECONOMIC AND EMPLOYMENT
DEVELOPMENT IN WESTERN MARYLAND.

10–4C–10.

ON OR BEFORE JULY 1, 2025, THE CORPORATION SHALL REPORT TO THE
GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT
ARTICLE, ON THE IMPLEMENTATION OF THE PILOT PROGRAM AND SHALL MAKE
RECOMMENDATIONS ON THE EXPANSION OF THE PILOT PROGRAM TO A STATEWIDE
PROGRAM.

Article – State Finance and Procurement

6–226.

(a) (2) (i) Notwithstanding any other provision of law, and unless
inconsistent with a federal law, grant agreement, or other federal requirement or with the
terms of a gift or settlement agreement, net interest on all State money allocated by the
State Treasurer under this section to special funds or accounts, and otherwise entitled to
receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply
to the following funds:

122. the Racing and Community Development Financing Fund;

[and]
123. the Racing and Community Development Facilities Fund;

AND

124. the Maryland Technology Infrastructure Fund.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2021. It shall remain effective for a period of 5 years and, at the end of June 30, 2026, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.