

HOUSE BILL 1211

C8

1lr2246

By: **Delegate D. Barnes**

Introduced and read first time: February 8, 2021

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development – Maryland Technology Development Corporation –**
3 **Pre-Seed Builder Fund**

4 FOR the purpose of establishing the Pre-Seed Builder Fund in the Maryland Technology
5 Development Corporation as a special, nonlapsing fund; specifying the purpose of
6 the Fund; requiring the Corporation to administer the Fund; requiring the State
7 Treasurer to hold the Fund and the Comptroller to account for the Fund; requiring
8 the Governor to include in the annual budget bill a certain appropriation to the Fund;
9 providing for the investment of money in the Fund; exempting the Fund from a
10 certain provision of law requiring interest on State money in special funds to accrue
11 to the General Fund of the State; providing that the Fund is the successor to a certain
12 fund; defining a certain term; and generally relating to the Maryland Technology
13 Development Corporation and the Pre-Seed Builder Fund.

14 BY adding to

15 Article – Economic Development
16 Section 10-473 to be under the new part “Part VIII. Pre-Seed Builder Fund”
17 Annotated Code of Maryland
18 (2018 Replacement Volume and 2020 Supplement)

19 BY repealing and reenacting, without amendments,

20 Article – State Finance and Procurement
21 Section 6-226(a)(2)(i)
22 Annotated Code of Maryland
23 (2015 Replacement Volume and 2020 Supplement)

24 BY repealing and reenacting, with amendments,

25 Article – State Finance and Procurement
26 Section 6-226(a)(2)(ii)122. and 123.
27 Annotated Code of Maryland
28 (2015 Replacement Volume and 2020 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to
2 Article – State Finance and Procurement
3 Section 6–226(a)(2)(ii)124.
4 Annotated Code of Maryland
5 (2015 Replacement Volume and 2020 Supplement)

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

8 **Article – Economic Development**

9 **10–471. RESERVED.**

10 **10–472. RESERVED.**

11 **PART VIII. PRE–SEED BUILDER FUND.**

12 **10–473.**

13 **(A) IN THIS SECTION, “FUND” MEANS THE PRE–SEED BUILDER FUND.**

14 **(B) THERE IS A PRE–SEED BUILDER FUND IN THE CORPORATION.**

15 **(C) THE PURPOSE OF THE FUND IS TO SUPPORT THE DEVELOPMENT OF**
16 **START–UP COMPANIES RUN BY ENTREPRENEURS FROM SOCIALLY OR**
17 **ECONOMICALLY DISADVANTAGED BACKGROUNDS THAT HINDER ACCESS TO**
18 **TRADITIONAL FORMS OF CAPITAL AND EXECUTIVE NETWORKS AT THE PRE–SEED**
19 **STAGE.**

20 **(D) THE CORPORATION SHALL MANAGE AND SUPERVISE THE FUND.**

21 **(E) (1) THE FUND IS A SPECIAL, NONLAPSING REVOLVING FUND THAT IS**
22 **NOT SUBJECT TO REVERSION UNDER § 7–302 OF THE STATE FINANCE AND**
23 **PROCUREMENT ARTICLE.**

24 **(2) THE TREASURER SHALL HOLD THE FUND, AND THE**
25 **COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

26 **(F) (1) FOR FISCAL YEAR 2023, THE GOVERNOR SHALL INCLUDE IN THE**
27 **ANNUAL BUDGET BILL AN APPROPRIATION OF \$5,000,000 TO THE FUND.**

28 **(2) FOR FISCAL YEAR 2024, THE GOVERNOR SHALL INCLUDE IN THE**
29 **ANNUAL BUDGET BILL AN APPROPRIATION OF \$6,200,000 TO THE FUND.**

