

## Chapter 697

**(Senate Bill 732)**

AN ACT concerning

**Economic Development – Maryland Innovation Initiative University  
Partnership Pilot Program – Establishment**

FOR the purpose of establishing the Maryland Innovation Initiative University Partnership Pilot Program within the Maryland Technology Development Corporation; providing for the purpose of the Pilot Program; requiring the Maryland Innovation Initiative within the Corporation to implement and administer the Pilot Program; authorizing Bowie State University and ~~Salisbury~~ Frostburg State University to participate in the Pilot Program; requiring Bowie State University and ~~Salisbury~~ Frostburg State University to pay a certain annual contribution to participate in the Pilot Program; establishing eligibility criteria for project proposals to receive funding under the Pilot Program; requiring the Initiative to develop certain criteria to review, evaluate, and rate certain project proposals; requiring the Executive Director of the Initiative to distribute certain grants in a certain manner; requiring the Governor to include a certain amount in the State budget for certain fiscal years for the Pilot Program; requiring the Corporation to make a certain report on or before a certain date; altering the purpose and contents of the Maryland Innovation Initiative Fund; providing for the termination of this Act; defining certain terms; and generally relating to the establishment of the Maryland Innovation Initiative University Partnership Pilot Program.

BY repealing and reenacting, without amendments,  
 Article – Economic Development  
 Section 10–454(a), (b), and (d), 10–455(a), and 10–457(a)  
 Annotated Code of Maryland  
 (2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,  
 Article – Economic Development  
 Section 10–457(b) and (d)  
 Annotated Code of Maryland  
 (2018 Replacement Volume and 2020 Supplement)

BY adding to  
 Article – Economic Development  
 Section 10–461  
 Annotated Code of Maryland  
 (2018 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**

10–454.

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

(b) “Commercialization” means the process of introducing a new product or technology into the market.

(d) “Initiative” means the Maryland Innovation Initiative established under § 10–455 of this subtitle.

10–455.

(a) There is a Maryland Innovation Initiative.

10–457.

(a) There is a Maryland Innovation Initiative Fund.

(b) The purpose of the Fund is to provide funding for the purposes described in [§ 10–456] **§§ 10–456 AND 10–461** of this subtitle.

(d) The Fund consists of:

(1) appropriations as provided in the State budget;

(2) contributions by the qualifying universities under § 10–455 of this subtitle **AND ELIGIBLE UNIVERSITIES UNDER § 10–461 OF THIS SUBTITLE;**

(3) grants or funds from federal laboratories located in Maryland;

(4) interest or other income earned on the investment of money in the Fund; and

(5) any other money accepted for the benefit of the Initiative.

**10–461.**

**(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

**(2) “ELIGIBLE UNIVERSITY” MEANS BOWIE STATE UNIVERSITY AND ~~SALISBURY~~ FROSTBURG STATE UNIVERSITY.**

**(3) "PILOT PROGRAM" MEANS THE MARYLAND INNOVATION INITIATIVE UNIVERSITY PARTNERSHIP PILOT PROGRAM.**

**(B) (1) THERE IS A MARYLAND INNOVATION INITIATIVE UNIVERSITY PARTNERSHIP PILOT PROGRAM.**

**(2) THE PURPOSE OF THE PILOT PROGRAM IS TO EXPAND OPPORTUNITIES FOR TECHNOLOGY VALIDATION, ENTREPRENEURIAL DEVELOPMENT, AND INDUSTRY ENGAGEMENT AT ELIGIBLE UNIVERSITIES.**

**(C) (1) THE INITIATIVE SHALL IMPLEMENT AND ADMINISTER THE PILOT PROGRAM.**

**(2) THE INITIATIVE SHALL COLLABORATE WITH AN ELIGIBLE UNIVERSITY TO IDENTIFY AND SUPPORT INDUSTRY PARTNERSHIPS AND COMMERCIALIZATION OPPORTUNITIES.**

**(D) TO QUALIFY FOR PARTICIPATION IN THE PILOT PROGRAM, EACH ELIGIBLE UNIVERSITY SHALL PAY AN ANNUAL CONTRIBUTION OF \$50,000.**

**(E) (1) ONLY AN ELIGIBLE UNIVERSITY MAY SUBMIT PROJECT PROPOSALS FOR FUNDING UNDER THE PILOT PROGRAM.**

**(2) TO QUALIFY FOR A GRANT UNDER THE PILOT PROGRAM, A PROJECT PROPOSAL MUST:**

**(I) SUPPORT THE CREATION OF A NEW TECHNOLOGY-BASED BUSINESS IN MARYLAND;**

**(II) ADVANCE TECHNOLOGY TOWARD COMMERCIALIZATION OF A PRODUCT OR SERVICE;**

**(III) FOSTER ENTREPRENEURIAL DEVELOPMENT AT THE ELIGIBLE UNIVERSITY;**

**(IV) CREATE AN OPPORTUNITY FOR MEANINGFUL ECONOMIC IMPACT IN THE REGION AROUND THE ELIGIBLE UNIVERSITY; OR**

**(V) FOSTER COLLABORATION BETWEEN THE ELIGIBLE UNIVERSITY AND AN INDUSTRY PARTNER, INCLUDING:**

**1. PRODUCT DEVELOPMENT WITH COMMERCIALIZATION POTENTIAL; AND**

**2. MATCHING FUNDS PROVIDED BY THE INDUSTRY PARTNER.**

**(F) (1) THE INITIATIVE SHALL DEVELOP CRITERIA TO REVIEW, EVALUATE, AND RATE PROJECT PROPOSALS FOR FUNDING UNDER THE PILOT PROGRAM.**

**(2) THE EXECUTIVE DIRECTOR SHALL DISTRIBUTE GRANTS TO PROJECTS BASED ON THE CRITERIA DEVELOPED IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION.**

**(G) (1) FOR FISCAL YEARS 2023 AND 2024, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$500,000 FOR THE PILOT PROGRAM.**

**(2) THE FUNDING PROVIDED IN THIS SUBSECTION SHALL BE USED TO SUPPLEMENT, NOT SUPPLANT, ANY FUNDS THAT WOULD OTHERWISE BE PROVIDED TO THE INITIATIVE.**

**(H) IN ADDITION TO INFORMATION ON THE INITIATIVE INCLUDED IN THE ANNUAL REPORT OF THE CORPORATION UNDER § 10-415 OF THIS SUBTITLE, ON OR BEFORE JULY 1, 2024, 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.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2021. It shall remain effective for a period of 3 years and, at the end of June 30, 2024, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

**Enacted under Article II, § 17(c) of the Maryland Constitution, May 30, 2021.**