

HOUSE BILL 1384

C8

2lr2879

By: **Delegate Qi**

Introduced and read first time: February 11, 2022

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development – Industry 4.0 Technology Grant Program**
3 **(Maryland Manufacturing Innovation Act of 2022)**

4 FOR the purpose of establishing the Industry 4.0 Technology Grant Program in the
5 Department of Commerce to provide grants to certain small and medium-sized
6 manufacturing enterprises to assist those manufacturers with implementing new
7 Industry 4.0 technology or related infrastructure for certain purposes; requiring the
8 Governor to include in the annual budget bill a certain appropriation to the Program;
9 and generally relating to the Industry 4.0 Technology Grant Program for
10 manufacturers.

11 BY adding to
12 Article – Economic Development
13 Section 5–1901 and 5–1902 to be under the new subtitle “Subtitle 19. Industry
14 4.0 Technology Grant Program”
15 Annotated Code of Maryland
16 (2018 Replacement Volume and 2021 Supplement)

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

19 **Article – Economic Development**

20 **SUBTITLE 19. INDUSTRY 4.0 TECHNOLOGY GRANT PROGRAM.**

21 **5–1901.**

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(B) (1) “INDUSTRY 4.0 TECHNOLOGY” MEANS SMART HARDWARE AND**
2 **SOFTWARE MANUFACTURING TECHNOLOGIES.**

3 **(2) “INDUSTRY 4.0 TECHNOLOGY” INCLUDES:**

4 **(I) INDUSTRIAL INTERNET OF THINGS INFRASTRUCTURE**
5 **HARDWARE;**

6 **(II) PREDICTIVE MAINTENANCE SOFTWARE;**

7 **(III) SENSOR INTEGRATION INTO INDUSTRIAL TOOLS AND**
8 **MACHINERY TO DETERMINE WEAR OR FLAWS;**

9 **(IV) INDUSTRIAL WEARABLE TECHNOLOGY INTEGRATION TO**
10 **PREVENT EMPLOYEE INJURIES;**

11 **(V) DATA ANALYTICS AND VISUALIZATION SOFTWARE;**

12 **(VI) SENSOR TRANSMISSION OF REAL-TIME INFORMATION**
13 **FROM FACTORY FLOOR TO CUSTOMERS OR SUPPLIERS; AND**

14 **(VII) RADIO FREQUENCY IDENTIFICATION (RFID) TAGGING**
15 **SOFTWARE AND EQUIPMENT UTILIZED TO TRACK INVENTORY.**

16 **(C) “PROGRAM” MEANS THE INDUSTRY 4.0 TECHNOLOGY GRANT**
17 **PROGRAM.**

18 **(D) “SME MANUFACTURER” MEANS A SMALL OR MEDIUM-SIZED**
19 **ENTERPRISE MANUFACTURER.**

20 **5-1902.**

21 **(A) THERE IS AN INDUSTRY 4.0 TECHNOLOGY GRANT PROGRAM IN THE**
22 **DEPARTMENT.**

23 **(B) THE PURPOSE OF THE PROGRAM IS TO ASSIST SME MANUFACTURERS**
24 **IN ADOPTING INDUSTRY 4.0 TECHNOLOGY AND RELATED INFRASTRUCTURE IN**
25 **ORDER TO INCREASE PRODUCTIVITY, EFFICIENCY, AND COMPETITIVENESS IN THE**
26 **STATE AND NATIONAL MANUFACTURING ENVIRONMENT.**

27 **(C) TO QUALIFY FOR A GRANT UNDER THE PROGRAM, AN SME**
28 **MANUFACTURER SHALL SUBMIT TO THE DEPARTMENT AN APPLICATION THAT:**

1 **(1) DEMONSTRATES THAT THE COMPANY IS A QUALIFYING SME**
2 **MANUFACTURER; AND**

3 **(2) DESCRIBES THE SME MANUFACTURER'S PLANS TO:**

4 **(I) MAKE A CAPITAL INVESTMENT IN THE FORM OF SMART**
5 **INDUSTRY 4.0 TECHNOLOGY MANUFACTURING TECHNOLOGIES WITHIN ITS**
6 **MARYLAND OPERATION; OR**

7 **(II) MAKE A CAPITAL INVESTMENT FOR THE PROPER**
8 **INFRASTRUCTURE FOR IMPLEMENTATION OF INDUSTRY 4.0 TECHNOLOGY.**

9 **(D) (1) SUBJECT TO THE LIMITATION UNDER PARAGRAPH (2) OF THIS**
10 **SUBSECTION, IN AWARDING GRANTS UNDER THE PROGRAM, THE DEPARTMENT**
11 **SHALL AWARD A DOLLAR-FOR-DOLLAR MATCHING GRANT FOR THE COST OF EACH**
12 **ELIGIBLE PROJECT.**

13 **(2) THE DEPARTMENT MAY NOT AWARD MORE THAN \$25,000 IN**
14 **QUALIFYING GRANTS TO A SINGLE SME MANUFACTURER.**

15 **(E) (1) A GRANT AWARDED UNDER THE PROGRAM MAY BE USED FOR**
16 **PROJECTS THAT DIRECTLY AFFECT MANUFACTURING PROCESSES AND FOCUS ON**
17 **INVESTMENTS IN INDUSTRY 4.0 TECHNOLOGY COMMERCIAL-READY EQUIPMENT**
18 **THROUGH ESTABLISHED VENDORS, OR RELATED INFRASTRUCTURE.**

19 **(2) WITHIN 1 YEAR AFTER RECEIVING A GRANT UNDER THE**
20 **PROGRAM, AN SME MANUFACTURER SHALL SUBMIT TO THE DEPARTMENT A**
21 **LETTER THAT:**

22 **(I) DESCRIBES HOW THE GRANT FUNDING WAS USED; AND**

23 **(II) INCLUDES ANY INVOICES RELATED TO THE**
24 **IMPLEMENTATION OF THE INDUSTRY 4.0 TECHNOLOGY OR RELATED**
25 **INFRASTRUCTURE.**

26 **(3) THE DEPARTMENT MAY REQUIRE A GRANT RECIPIENT THAT**
27 **FAILS TO FULFILL THE REQUIREMENTS OF THE GRANT TO RETURN ALL OR PART OF**
28 **THE GRANT TO THE PROGRAM.**

29 **(F) FOR FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER, THE**
30 **GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF**
31 **\$5,000,000 FOR THE PROGRAM.**

1 **(G) THE SECRETARY SHALL ADOPT REGULATIONS NECESSARY TO CARRY**
2 **OUT THIS SECTION.**

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2022.