

# SENATE BILL 453

C8  
SB 577/21 – FIN & B&T

2lr1458

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By: **Senators McCray and Edwards**

Introduced and read first time: January 27, 2022

Assigned to: Finance and Budget and Taxation

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Committee Report: Favorable

Senate action: Adopted

Read second time: March 8, 2022

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Economic Development – Maryland Makerspace Initiative Program**

3 FOR the purpose of establishing the Maryland Makerspace Initiative Program in the  
4 Maryland Technology Development Corporation; authorizing the Corporation to  
5 partner with a certain entity to provide technical assistance to certain nonprofit  
6 entities and to award certain financial assistance, subject to certain requirements,  
7 for the establishment, expansion, and operation of makerspaces in the State;  
8 establishing the Maryland Makerspace Initiative Fund as a special, nonlapsing fund;  
9 requiring interest earnings of the Fund to be credited to the Fund; providing that  
10 certain appropriations and expenditures are subject to audit by the Office of  
11 Legislative Audits; and generally relating to the Maryland Makerspace Initiative  
12 Program.

13 BY adding to

14 Article – Economic Development

15 Section 10–4C–01 through 10–4C–06 to be under the new subtitle “Subtitle 4C.

16 Maryland Makerspace Initiative Program”

17 Annotated Code of Maryland

18 (2018 Replacement Volume and 2021 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 (2021 Replacement Volume)

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### 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.



1 BY repealing and reenacting, with amendments,  
2 Article – State Finance and Procurement  
3 Section 6–226(a)(2)(ii)144. and 145.  
4 Annotated Code of Maryland  
5 (2021 Replacement Volume)

6 BY adding to  
7 Article – State Finance and Procurement  
8 Section 6–226(a)(2)(ii)146.  
9 Annotated Code of Maryland  
10 (2021 Replacement Volume)

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

13 **Article – Economic Development**

14 **SUBTITLE 4C. MARYLAND MAKERSPACE INITIATIVE PROGRAM.**

15 **10–4C–01.**

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

18 (B) “BOARD” HAS THE MEANING STATED IN § 10–401 OF THIS TITLE.

19 (C) “CORPORATION” HAS THE MEANING STATED IN § 10–401 OF THIS TITLE.

20 (D) “FINANCIAL ASSISTANCE” MEANS A GRANT, A LOAN, OR SIMILAR  
21 ASSISTANCE.

22 (E) “FUND” MEANS THE MARYLAND MAKERSPACE INITIATIVE FUND.

23 (F) “MAKERSPACE” MEANS A COMMUNITY SPACE THAT:

24 (1) PROVIDES ACCESS TO TOOLS, TECHNOLOGY, AND KNOWLEDGE  
25 FOR LEARNERS AND ENTREPRENEURS;

26 (2) RESULTS IN THE PROTOTYPING OR CREATION OF PHYSICAL  
27 GOODS; AND

28 (3) SUPPORTS THE DEVELOPMENT OF EDUCATIONAL  
29 OPPORTUNITIES FOR PERSONAL GROWTH, WORKFORCE TRAINING, AND  
30 EARLY-STAGE BUSINESS VENTURES.

1           **(G) "PROGRAM" MEANS THE MARYLAND MAKERSPACE INITIATIVE**  
2 **PROGRAM.**

3 **10-4C-02.**

4           **(A) THERE IS A MARYLAND MAKERSPACE INITIATIVE PROGRAM IN THE**  
5 **CORPORATION.**

6           **(B) THE PURPOSE OF THE PROGRAM IS TO ENCOURAGE THE**  
7 **ESTABLISHMENT AND EXPANSION OF MAKERSPACES THROUGHOUT THE STATE.**

8           **(C) (1) THE CORPORATION SHALL ADMINISTER THE PROGRAM.**

9                   **(2) THE CORPORATION MAY PARTNER WITH THE OPEN WORKS**  
10 **CENTER FOR ADVANCED FABRICATION TECHNOLOGIES IN BALTIMORE CITY TO**  
11 **PROVIDE TECHNICAL ASSISTANCE TO NONPROFIT ENTITIES SEEKING TO ESTABLISH**  
12 **MAKERSPACES IN THE STATE.**

13 **10-4C-03.**

14           **(A) TO CARRY OUT THE PURPOSES OF THE PROGRAM, THE CORPORATION**  
15 **SHALL AWARD FINANCIAL ASSISTANCE UNDER THIS SUBTITLE TO ELIGIBLE**  
16 **APPLICANTS FOR THE ESTABLISHMENT, EXPANSION, OR OPERATING COSTS OF**  
17 **MAKERSPACES IN THE STATE.**

18           **(B) THE CORPORATION SHALL AWARD FINANCIAL ASSISTANCE FROM THE**  
19 **FUNDS AVAILABLE UNDER THE MARYLAND MAKERSPACE INITIATIVE FUND**  
20 **ESTABLISHED UNDER § 10-4C-05 OF THIS SUBTITLE.**

21 **10-4C-04.**

22           **(A) THE CORPORATION SHALL ADOPT STANDARDS TO AWARD FINANCIAL**  
23 **ASSISTANCE UNDER THIS SUBTITLE.**

24           **(B) THE CORPORATION MAY AWARD FINANCIAL ASSISTANCE TO:**

25                   **(1) A LOCAL GOVERNMENT;**

26                   **(2) AN AGENCY, AN INSTRUMENTALITY, OR A NONPROFIT**  
27 **CORPORATION THAT THE LOCAL GOVERNMENT DESIGNATES; OR**

28                   **(3) A NONPROFIT ENTITY OPERATING OR SEEKING TO OPERATE A**  
29 **MAKERSPACE IN THE STATE.**

1           **(C) TO THE EXTENT PRACTICABLE, THE CORPORATION SHALL AWARD**  
2 **FINANCIAL ASSISTANCE IN A MANNER THAT REFLECTS GEOGRAPHIC DIVERSITY.**

3           **(D) A RECIPIENT OF FINANCIAL ASSISTANCE UNDER THIS SECTION:**

4                 **(1) SHALL PROVIDE MATCHING FUNDS OR IN-KIND CONTRIBUTIONS**  
5 **FOR THE PROJECT AT LEAST EQUAL TO THE AMOUNT OF FINANCIAL ASSISTANCE**  
6 **AWARDED; AND**

7                 **(2) MAY NOT UTILIZE THE FINANCIAL ASSISTANCE AWARDED FOR THE**  
8 **OPERATING COSTS OF THE MAKERSPACE AFTER THE FIRST 3 YEARS OF OPERATION.**

9           **(E) UNLESS TWO-THIRDS OF THE MEMBERSHIP OF THE BOARD APPROVES,**  
10 **THE CORPORATION MAY NOT AWARD FINANCIAL ASSISTANCE WITHIN A SINGLE**  
11 **COUNTY UNDER THIS SECTION THAT EXCEEDS A TOTAL OF \$250,000 IN A SINGLE**  
12 **FISCAL YEAR.**

13 **10-4C-05.**

14           **(A) THERE IS A MARYLAND MAKERSPACE INITIATIVE FUND IN THE**  
15 **CORPORATION.**

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

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

21           **(C) THE FUND CONSISTS OF:**

22                 **(1) APPROPRIATIONS AS PROVIDED IN THE STATE BUDGET;**

23                 **(2) REPAYMENTS OF LOANS MADE THROUGH THE PROGRAM;**

24                 **(3) ANY INTEREST EARNINGS OF THE FUND; AND**

25                 **(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**  
26 **THE BENEFIT OF THE FUND.**

27           **(D) THE EXECUTIVE DIRECTOR OF THE CORPORATION, OR THE EXECUTIVE**  
28 **DIRECTOR'S DESIGNEE, SHALL ADMINISTER THE FUND IN ACCORDANCE WITH THIS**  
29 **PART AND ANY OTHER APPLICABLE LAW.**

1           **(E) THE FUND SHALL BE USED TO COVER THE FOLLOWING COSTS OF THE**  
2 **PROGRAM:**

3           **(1) ADMINISTRATIVE COSTS NOT EXCEEDING \$100,000 IN EACH**  
4 **FISCAL YEAR;**

5           **(2) REIMBURSEMENT FOR TECHNICAL ASSISTANCE AND MENTORING**  
6 **PROVIDED BY EXISTING MAKERSPACES; AND**

7           **(3) ANY FINANCIAL ASSISTANCE THAT IS AWARDED TO ELIGIBLE**  
8 **RECIPIENTS IN ACCORDANCE WITH § 10-4C-04 OF THIS SUBTITLE.**

9           **(F) FOR EACH OF FISCAL YEARS 2024 THROUGH 2028, THE GOVERNOR**  
10 **SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST**  
11 **\$1,000,000 TO THE FUND.**

12           **(G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**  
13 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

14           **(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED**  
15 **TO THE FUND.**

16           **(H) THE OFFICE OF LEGISLATIVE AUDITS SHALL AUDIT THE ACCOUNTS**  
17 **AND TRANSACTIONS OF THE FUND AS PROVIDED IN § 2-1220 OF THE STATE**  
18 **GOVERNMENT ARTICLE.**

19 **10-4C-06.**

20           **ON OR BEFORE OCTOBER 1, 2027, THE CORPORATION SHALL REPORT TO THE**  
21 **GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT**  
22 **ARTICLE, THE GENERAL ASSEMBLY ON THE EFFECTIVENESS OF THE PROGRAM IN**  
23 **ENCOURAGING THE ESTABLISHMENT AND EXPANSION OF MAKERSPACES**  
24 **THROUGHOUT THE STATE AND RECOMMENDATIONS CONCERNING THE**  
25 **IMPROVEMENT, EXTENSION, OR TERMINATION OF THE PROGRAM.**

26                                   **Article – State Finance and Procurement**

27 **6-226.**

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

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

3 144. the Health Equity Resource Community Reserve Fund;

4 [and]

5 145. the Access to Counsel in Evictions Special Fund; AND

6 **146. THE MARYLAND MAKERSPACE INITIATIVE FUND.**

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 October 1, 2022. It shall remain effective for a period of 6 years and, at the end of September  
9 30, 2028, this Act, with no further action required by the General Assembly, shall be  
10 abrogated and of no further force and effect.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.