Chapter 322

(Senate Bill 453)

AN ACT concerning

Economic Development - Maryland Makerspace Initiative Program

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

BY adding to

Article – Economic Development

Section 10–4C–01 through 10–4C–06 to be under the new subtitle "Subtitle 4C. Maryland Makerspace Initiative Program"

Annotated Code of Maryland

(2018 Replacement Volume and 2021 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6-226(a)(2)(i)

Annotated Code of Maryland

(2021 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)144. and 145.

Annotated Code of Maryland

(2021 Replacement Volume)

BY adding to

Article – State Finance and Procurement

Section 6-226(a)(2)(ii)146.

Annotated Code of Maryland

(2021 Replacement Volume)

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 MAKERSPACE INITIATIVE PROGRAM.

10-4C-01.

- (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
 - (B) "BOARD" HAS THE MEANING STATED IN § 10-401 OF THIS TITLE.
 - (C) "CORPORATION" HAS THE MEANING STATED IN § 10–401 OF THIS TITLE.
- (D) "FINANCIAL ASSISTANCE" MEANS A GRANT, A LOAN, OR SIMILAR ASSISTANCE.
 - (E) "FUND" MEANS THE MARYLAND MAKERSPACE INITIATIVE FUND.
 - (F) "MAKERSPACE" MEANS A COMMUNITY SPACE THAT:
- (1) PROVIDES ACCESS TO TOOLS, TECHNOLOGY, AND KNOWLEDGE FOR LEARNERS AND ENTREPRENEURS;
- (2) RESULTS IN THE PROTOTYPING OR CREATION OF PHYSICAL GOODS; AND
- (3) SUPPORTS THE DEVELOPMENT OF EDUCATIONAL OPPORTUNITIES FOR PERSONAL GROWTH, WORKFORCE TRAINING, AND EARLY-STAGE BUSINESS VENTURES.
- (G) "PROGRAM" MEANS THE MARYLAND MAKERSPACE INITIATIVE PROGRAM.

10-4C-02.

- (A) THERE IS A MARYLAND MAKERSPACE INITIATIVE PROGRAM IN THE CORPORATION.
- (B) THE PURPOSE OF THE PROGRAM IS TO ENCOURAGE THE ESTABLISHMENT AND EXPANSION OF MAKERSPACES THROUGHOUT THE STATE.
 - (C) (1) THE CORPORATION SHALL ADMINISTER THE PROGRAM.

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

10-4C-03.

- (A) TO CARRY OUT THE PURPOSES OF THE PROGRAM, THE CORPORATION SHALL AWARD FINANCIAL ASSISTANCE UNDER THIS SUBTITLE TO ELIGIBLE APPLICANTS FOR THE ESTABLISHMENT, EXPANSION, OR OPERATING COSTS OF MAKERSPACES IN THE STATE.
- (B) THE CORPORATION SHALL AWARD FINANCIAL ASSISTANCE FROM THE FUNDS AVAILABLE UNDER THE MARYLAND MAKERSPACE INITIATIVE FUND ESTABLISHED UNDER § 10-4C-05 OF THIS SUBTITLE.

10-4C-04.

- (A) THE CORPORATION SHALL ADOPT STANDARDS TO AWARD FINANCIAL ASSISTANCE UNDER THIS SUBTITLE.
 - (B) THE CORPORATION MAY AWARD FINANCIAL ASSISTANCE TO:
 - (1) A LOCAL GOVERNMENT;
- (2) AN AGENCY, AN INSTRUMENTALITY, OR A NONPROFIT CORPORATION THAT THE LOCAL GOVERNMENT DESIGNATES; OR
- (3) A NONPROFIT ENTITY OPERATING OR SEEKING TO OPERATE A MAKERSPACE IN THE STATE.
- (C) TO THE EXTENT PRACTICABLE, THE CORPORATION SHALL AWARD FINANCIAL ASSISTANCE IN A MANNER THAT REFLECTS GEOGRAPHIC DIVERSITY.
 - (D) A RECIPIENT OF FINANCIAL ASSISTANCE UNDER THIS SECTION:
- (1) SHALL PROVIDE MATCHING FUNDS OR IN–KIND CONTRIBUTIONS FOR THE PROJECT AT LEAST EQUAL TO THE AMOUNT OF FINANCIAL ASSISTANCE AWARDED; AND
- (2) MAY NOT UTILIZE THE FINANCIAL ASSISTANCE AWARDED FOR THE OPERATING COSTS OF THE MAKERSPACE AFTER THE FIRST 3 YEARS OF OPERATION.

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

10-4C-05.

- (A) THERE IS A MARYLAND MAKERSPACE INITIATIVE 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) REPAYMENTS OF LOANS MADE THROUGH THE PROGRAM;
 - (3) ANY INTEREST EARNINGS OF THE FUND; AND
- (4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.
- (D) THE EXECUTIVE DIRECTOR OF THE CORPORATION, OR THE EXECUTIVE DIRECTOR'S DESIGNEE, SHALL ADMINISTER THE FUND IN ACCORDANCE WITH THIS PART AND ANY OTHER APPLICABLE LAW.
- (E) THE FUND SHALL BE USED TO COVER THE FOLLOWING COSTS OF THE PROGRAM:
- (1) ADMINISTRATIVE COSTS NOT EXCEEDING \$100,000 IN EACH FISCAL YEAR;
- (2) REIMBURSEMENT FOR TECHNICAL ASSISTANCE AND MENTORING PROVIDED BY EXISTING MAKERSPACES; AND
- (3) ANY FINANCIAL ASSISTANCE THAT IS AWARDED TO ELIGIBLE RECIPIENTS IN ACCORDANCE WITH § 10-4C-04 OF THIS SUBTITLE.

- (F) FOR EACH OF FISCAL YEARS 2024 THROUGH 2028, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST \$1,000,000 TO THE FUND.
- (G) (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.
- (H) THE OFFICE OF LEGISLATIVE AUDITS SHALL AUDIT THE ACCOUNTS AND TRANSACTIONS OF THE FUND AS PROVIDED IN § 2–1220 OF THE STATE GOVERNMENT ARTICLE.

10-4C-06.

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

Article - State Finance and Procurement

6-226.

[and]

- (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:
 - 144. the Health Equity Resource Community Reserve Fund;
 - 145. the Access to Counsel in Evictions Special Fund; AND
 - 146. THE MARYLAND MAKERSPACE INITIATIVE FUND.

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

Approved by the Governor, May 12, 2022.