

HOUSE BILL 653

C8
HB 892/21 – W&M

3lr1492

By: **Delegate Buckel**

Introduced and read first time: February 6, 2023

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development – Maryland Technology Infrastructure Pilot Program –**
3 **Establishment**

4 FOR the purpose of establishing the Maryland Technology Infrastructure Pilot Program in
5 the Maryland Technology Development Corporation to support and incentivize
6 advance industry infrastructure and resources that build on the existing strengths
7 of the Western Maryland economy; establishing the Maryland Technology
8 Infrastructure Authority to provide advice and consultation for the administration
9 of the Program; establishing the Maryland Technology Infrastructure Fund as a
10 special, nonlapsing fund; requiring interest earnings of the Fund to be credited to
11 the Fund; and generally relating to the Maryland Technology Infrastructure Pilot
12 Program and the Maryland Technology Development Corporation.

13 BY adding to

14 Article – Economic Development

15 Section 10–4D–01 through 10–4D–10 to be under the new subtitle “Subtitle 4D.
16 Maryland Technology Infrastructure Pilot Program”

17 Annotated Code of Maryland

18 (2018 Replacement Volume and 2022 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 and 2022 Supplement)

24 BY repealing and reenacting, with amendments,

25 Article – State Finance and Procurement

26 Section 6–226(a)(2)(ii)170. and 171.

27 Annotated Code of Maryland

28 (2021 Replacement Volume and 2022 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)172.
4 Annotated Code of Maryland
5 (2021 Replacement Volume and 2022 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 **SUBTITLE 4D. MARYLAND TECHNOLOGY INFRASTRUCTURE PILOT PROGRAM.**

10 **10–4D–01.**

11 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
12 INDICATED.

13 (B) “AUTHORITY” MEANS THE MARYLAND TECHNOLOGY
14 INFRASTRUCTURE AUTHORITY.

15 (C) “CORPORATION” MEANS THE MARYLAND TECHNOLOGY
16 DEVELOPMENT CORPORATION.

17 (D) “FINANCIAL ASSISTANCE” MEANS A GRANT, A LOAN, A CREDIT
18 ENHANCEMENT, AN INVESTMENT, OR SIMILAR ASSISTANCE.

19 (E) “FUND” MEANS THE MARYLAND TECHNOLOGY INFRASTRUCTURE
20 FUND.

21 (F) “PROGRAM” MEANS THE MARYLAND TECHNOLOGY INFRASTRUCTURE
22 PILOT PROGRAM.

23 (G) “PROJECT” MEANS A LARGE–SCALE, TRANSFORMATIVE
24 INFRASTRUCTURE INITIATIVE INTENDED TO PROMOTE THE DEVELOPMENT AND
25 GROWTH OF INNOVATION–BASED BUSINESS IN WESTERN MARYLAND.

26 (H) “WESTERN MARYLAND” MEANS ALLEGANY COUNTY, GARRETT
27 COUNTY, AND WASHINGTON COUNTY.

28 **10–4D–02.**

29 (A) THERE IS A MARYLAND TECHNOLOGY INFRASTRUCTURE PILOT
30 PROGRAM IN THE CORPORATION.

1 (B) THE PURPOSE OF THE PROGRAM IS TO:

2 (1) ESTABLISH A PROGRAM IN WESTERN MARYLAND TO SUPPORT
3 THE INNOVATION ECONOMY BY INCENTIVIZING THE DEVELOPMENT OF ADVANCED
4 INDUSTRY INFRASTRUCTURE AND RESOURCES THAT BUILD ON THE EXISTING
5 STRENGTHS OF THE REGION'S ECONOMY;

6 (2) SUPPORT THE GROWTH OF AND INCENTIVIZE THE ATTRACTION
7 AND RETENTION OF EARLY-STAGE INNOVATION-BASED BUSINESS IN WESTERN
8 MARYLAND THROUGH THE CREATION OF SUPPORTING INFRASTRUCTURE AND
9 RESOURCES;

10 (3) MANAGE A MARYLAND TECHNOLOGY INFRASTRUCTURE FUND
11 FOR FINANCIAL ASSISTANCE IN PROJECTS TO SUPPORT THE PROGRAM; AND

12 (4) EVALUATE THE EFFICACY OF THE PROGRAM FOR FUTURE
13 EXPANSION TO OTHER PARTS OF THE STATE.

14 10-4D-03.

15 (A) THERE IS A MARYLAND TECHNOLOGY INFRASTRUCTURE AUTHORITY
16 IN THE CORPORATION.

17 (B) THE CORPORATION SHALL PROVIDE STAFF TO THE AUTHORITY AND
18 MAY EMPLOY OR CONTRACT WITH EXPERTS TO ASSIST WITH THE ADMINISTRATION
19 AND MANAGEMENT OF THE PROGRAM.

20 10-4D-04.

21 (A) THE AUTHORITY CONSISTS OF THE FOLLOWING MEMBERS:

22 (1) THREE MEMBERS APPOINTED BY THE GOVERNOR:

23 (I) TWO OF WHOM ARE ENTREPRENEURS OR BUSINESS
24 OWNERS IN WESTERN MARYLAND; AND

25 (II) ONE OF WHOM HAS EXPERIENCE IN VENTURE CAPITAL OR
26 ECONOMIC DEVELOPMENT;

27 (2) THE PRESIDENT OF FROSTBURG STATE UNIVERSITY, OR THE
28 PRESIDENT'S DESIGNEE;

29 (3) THE PRESIDENT OF A COMMUNITY COLLEGE LOCATED IN

1 WESTERN MARYLAND, OR THE PRESIDENT'S DESIGNEE, APPOINTED BY THE
2 MARYLAND ASSOCIATION OF COMMUNITY COLLEGES; AND

3 (4) THE EXECUTIVE DIRECTOR OF THE CORPORATION, OR THE
4 EXECUTIVE DIRECTOR'S DESIGNEE.

5 (B) EACH MEMBER SHALL BE A RESIDENT OF THE STATE.

6 10-4D-05.

7 (A) (1) THREE MEMBERS OF THE AUTHORITY ARE A QUORUM.

8 (2) AN ACT OF THE AUTHORITY MUST BE APPROVED BY A MAJORITY
9 VOTE OF THE MEMBERS ATTENDING A MEETING AT WHICH A QUORUM IS PRESENT.

10 (B) A MEMBER OF THE AUTHORITY:

11 (1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE
12 AUTHORITY; BUT

13 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
14 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

15 (C) A MEMBER OF THE AUTHORITY SHALL FILE AN ANNUAL PUBLIC
16 DISCLOSURE OF FINANCIAL INTERESTS AS REQUIRED UNDER THE MARYLAND
17 PUBLIC ETHICS LAW.

18 (D) EACH MEMBER OF THE AUTHORITY SHALL DISCLOSE TO THE STATE
19 ETHICS COMMISSION WHETHER THE MEMBER IS EMPLOYED BY OR HAS A FINANCIAL
20 INTEREST IN AN ENTITY THAT MAY APPLY FOR FUNDING FROM THE FUND.

21 10-4D-06.

22 THE AUTHORITY SHALL PROVIDE ADVICE TO AND CONSULT WITH THE
23 CORPORATION IN CONNECTION WITH THE ADMINISTRATION OF THE PROGRAM
24 UNDER THIS SUBTITLE.

25 10-4D-07.

26 (A) THERE IS A MARYLAND TECHNOLOGY INFRASTRUCTURE FUND IN THE
27 CORPORATION.

28 (B) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
29 SUBJECT TO REVERSION UNDER § 7-302 OF THE STATE FINANCE AND

1 **PROCUREMENT ARTICLE.**

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

4 (C) THE FUND CONSISTS OF:

5 (1) APPROPRIATIONS AS PROVIDED IN THE STATE BUDGET;

6 (2) ANY INTEREST EARNINGS OF THE FUND; AND

7 (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
8 THE BENEFIT OF THE PROGRAM.

9 (D) THE EXECUTIVE DIRECTOR OF THE CORPORATION, OR THE EXECUTIVE
10 DIRECTOR'S DESIGNEE, SHALL ADMINISTER THE FUND IN ACCORDANCE WITH THIS
11 SUBTITLE AND ANY OTHER APPLICABLE LAW.

12 (E) THE FUND SHALL BE USED TO COVER THE COSTS OF THE PROGRAM,
13 INCLUDING:

14 (1) ANY ADMINISTRATIVE COSTS; AND

15 (2) ANY FINANCIAL ASSISTANCE THAT IS AWARDED TO ELIGIBLE
16 RECIPIENTS.

17 (F) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND
18 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

19 (2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED
20 TO THE FUND.

21 (G) THE ACCOUNT AND TRANSACTIONS OF THE FUND ARE SUBJECT TO
22 AUDIT BY THE OFFICE OF LEGISLATIVE AUDITS AS PROVIDED IN § 2-1220 OF THE
23 STATE GOVERNMENT ARTICLE.

24 **10-4D-08.**

25 (A) WITHIN THE PROGRAM, SUBJECT TO AVAILABLE FUNDING, AND ON THE
26 RECOMMENDATION OF THE AUTHORITY, THE CORPORATION SHALL AWARD
27 FINANCIAL ASSISTANCE FROM THE FUND TO PUBLIC OR PRIVATE ENTITIES IN THE
28 STATE, INCLUDING INSTITUTIONS OF HIGHER EDUCATION, TO:

29 (1) SUPPORT LARGE-SCALE INFRASTRUCTURE OR RESOURCE

1 PROJECTS IN WESTERN MARYLAND TO ATTRACT TALENT, FOSTER
2 COLLABORATION, AND ENABLE CONCENTRATION AND GROWTH OF ADVANCED
3 INDUSTRIES;

4 (2) FOSTER PUBLIC-PRIVATE COLLABORATIONS TO ENCOURAGE
5 DEVELOPMENT OF SHARED INFRASTRUCTURE AND RESOURCES; AND

6 (3) SUPPORT TALENT DEVELOPMENT INITIATIVES THAT ADDRESS
7 CRITICAL SKILL SHORTAGE AREAS IN INDUSTRIES CRITICAL TO GROWTH IN
8 WESTERN MARYLAND.

9 (B) THE FUND MAY NOT CONTRIBUTE MORE THAN:

10 (1) ONE-THIRD OF THE TOTAL COST OF THE PROJECT; OR

11 (2) \$500,000 PER PROJECT.

12 10-4D-09.

13 (A) THE AUTHORITY SHALL ADOPT REGULATIONS TO ESTABLISH:

14 (1) A COMPETITIVE APPLICATION PROCESS; AND

15 (2) CRITERIA AND PROCEDURES FOR AWARDING FINANCIAL
16 ASSISTANCE FROM THE FUND TO ELIGIBLE RECIPIENTS, INCLUDING CRITERIA THAT
17 EXAMINE:

18 (I) THE PROJECT'S POTENTIAL IMPACT ON THE LOCAL
19 ECONOMY;

20 (II) THE PROJECT'S LIKELIHOOD TO FOSTER JOB CREATION;

21 AND

22 (III) CAPITAL INVESTMENT IN THE PROJECT.

23 (B) (1) IN ACCORDANCE WITH THIS SUBTITLE, ALL PRIVATE SECTOR
24 ENTITIES IN THE STATE AND ALL INSTITUTIONS OF HIGHER EDUCATION IN THE
25 STATE MAY BE ELIGIBLE RECIPIENTS OF FINANCIAL ASSISTANCE.

26 (2) PRIORITY FOR THE AWARD OF ANY FINANCIAL ASSISTANCE SHALL
27 BE GIVEN TO THOSE PROJECTS MOST LIKELY TO:

28 (I) ATTRACT SIGNIFICANT INVESTMENT IN THE STATE;

29 (II) RESULT IN SIGNIFICANT COMPANY FORMATION,

1 EXPANSION, OR JOB CREATION; OR

2 (III) RESULT IN MEANINGFUL ECONOMIC AND EMPLOYMENT
3 DEVELOPMENT IN WESTERN MARYLAND.

4 10-4D-10.

5 ON OR BEFORE JULY 1, 2027, THE CORPORATION SHALL REPORT TO THE
6 GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT
7 ARTICLE, ON THE IMPLEMENTATION OF THE PROGRAM AND SHALL MAKE
8 RECOMMENDATIONS ON THE EXPANSION OF THE PROGRAM TO A STATEWIDE
9 PROGRAM.

10 Article – State Finance and Procurement

11 6-226.

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

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

20 170. the Cannabis Public Health Fund; [and]

21 171. the Community Reinvestment and Repair Fund; AND

22 172. THE MARYLAND TECHNOLOGY INFRASTRUCTURE
23 FUND.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
25 1, 2023. It shall remain effective for a period of 5 years and, at the end of June 30, 2028,
26 this Act, with no further action required by the General Assembly, shall be abrogated and
27 of no further force and effect.