

# HOUSE BILL 799

C8

5lr3444

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By: ~~Delegates Vogel and Buckel~~, Buckel, Fair, Roberts, and Wu

Introduced and read first time: January 29, 2025

Assigned to: Ways and Means

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 6, 2025

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

1 AN ACT concerning

2 **Economic Development – Maryland Innovation Initiative ~~University~~ Institution**  
3 **Partnership Extension Program – Establishment**

4 FOR the purpose of establishing the Maryland Innovation Initiative ~~University~~ Institution  
5 Partnership Extension Program; authorizing certain ~~universities~~ public and private  
6 nonprofit institutions of higher education to participate in the Program; establishing  
7 eligibility criteria for project proposals to receive funding under the Program;  
8 ~~requiring~~ authorizing the Governor to include an appropriation in the annual budget  
9 bill for certain fiscal years for the Program; altering the purpose and contents of the  
10 Maryland Innovation Initiative Fund; and generally relating to the establishment of  
11 the Maryland Innovation Initiative ~~University~~ Institution Partnership Extension  
12 Program.

13 BY repealing and reenacting, without amendments,  
14 Article – Economic Development  
15 Section 10–454(a), (b), and (d), 10–455(a), and 10–457(a)  
16 Annotated Code of Maryland  
17 (2024 Replacement Volume and 2024 Supplement)

18 BY repealing and reenacting, with amendments,  
19 Article – Economic Development  
20 Section 10–457(b) and (d)  
21 Annotated Code of Maryland  
22 (2024 Replacement Volume and 2024 Supplement)

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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.



BY adding to  
Article – Economic Development  
Section 10–461  
Annotated Code of Maryland  
(2024 Replacement Volume and 2024 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~~ INSTITUTIONS 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.

1 10-461.

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

4 (2) "ELIGIBLE ~~UNIVERSITY~~ INSTITUTION" MEANS BOWIE STATE  
5 UNIVERSITY ~~AND~~, FROSTBURG STATE UNIVERSITY, AND ANY OTHER PUBLIC OR  
6 PRIVATE NONPROFIT INSTITUTION OF HIGHER EDUCATION DEEMED ELIGIBLE BY  
7 THE INITIATIVE.

8 (3) "PROGRAM" MEANS THE MARYLAND INNOVATION INITIATIVE  
9 ~~UNIVERSITY~~ INSTITUTION PARTNERSHIP EXTENSION PROGRAM.

10 (B) (1) THERE IS A MARYLAND INNOVATION INITIATIVE ~~UNIVERSITY~~  
11 INSTITUTION PARTNERSHIP EXTENSION PROGRAM.

12 (2) THE PURPOSE OF THE PROGRAM IS TO EXPAND OPPORTUNITIES  
13 FOR TECHNOLOGY VALIDATION, ENTREPRENEURIAL DEVELOPMENT, AND  
14 INDUSTRY ENGAGEMENT AT ELIGIBLE ~~UNIVERSITIES~~ INSTITUTIONS.

15 (C) (1) THE INITIATIVE SHALL IMPLEMENT AND ADMINISTER THE  
16 PROGRAM.

17 (2) THE INITIATIVE SHALL COLLABORATE WITH AN ELIGIBLE  
18 ~~UNIVERSITY~~ INSTITUTION TO IDENTIFY AND SUPPORT INDUSTRY PARTNERSHIPS  
19 AND COMMERCIALIZATION OPPORTUNITIES.

20 (3) THE INITIATIVE MAY EXPLORE OPPORTUNITIES FOR EXPANDING  
21 ELIGIBILITY TO OTHER PUBLIC OR PRIVATE NONPROFIT INSTITUTIONS OF HIGHER  
22 EDUCATION.

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

25 ~~(E)~~ (D) (1) ONLY AN ELIGIBLE ~~UNIVERSITY~~ INSTITUTION MAY SUBMIT  
26 PROJECT PROPOSALS FOR FUNDING UNDER THE PROGRAM.

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

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

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

(III) FOSTER ENTREPRENEURIAL DEVELOPMENT AT THE ELIGIBLE ~~UNIVERSITY~~ INSTITUTION;

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

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

1. PRODUCT DEVELOPMENT WITH COMMERCIALIZATION POTENTIAL; AND

2. MATCHING FUNDS PROVIDED BY THE INDUSTRY PARTNER.

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

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

(3) AN ELIGIBLE INSTITUTION SHALL PROVIDE A CASH MATCH EQUIVALENT TO 10% OF THE AMOUNT AWARDED UNDER PARAGRAPH (2) OF THIS SUBSECTION.

~~(G)~~ (F) (1) FOR FISCAL YEARS 2027 AND 2028, THE GOVERNOR ~~SHALL~~ MAY INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF ~~\$500,000~~ \$250,000 FOR THE 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)~~ (G) IN ADDITION TO INFORMATION ON THE INITIATIVE INCLUDED IN THE ANNUAL REPORT OF THE CORPORATION UNDER § 10-415 OF THIS SUBTITLE;

(1) ON OR BEFORE JANUARY 1, 2026, THE CORPORATION SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON SIMILAR PROGRAMS IN NEIGHBORING STATES AND THE POTENTIAL ECONOMIC BENEFITS AND COSTS OF

1 EXPANDING THE INITIATIVE TO ALL PUBLIC AND PRIVATE NONPROFIT  
2 INSTITUTIONS OF HIGHER EDUCATION OPERATING IN THE STATE; AND

3 (2) ON OR BEFORE JULY 1, 2028, THE CORPORATION SHALL REPORT  
4 TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE  
5 GOVERNMENT ARTICLE, ON THE IMPLEMENTATION OF THE PROGRAM.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
7 1, 2025. ~~It shall remain effective for a period of 3 years and, at the end of June 30, 2028,~~  
8 ~~this Act, with no further action required by the General Assembly, shall be abrogated and~~  
9 ~~of no further force and effect.~~

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.