

# HOUSE BILL 1450

C8

5lr1879  
CF SB 302

---

By: **Delegate Qi**

Introduced and read first time: February 7, 2025

Assigned to: Ways and Means

---

Committee Report: Favorable

House action: Adopted

Read second time: March 1, 2025

---

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

1 AN ACT concerning

2 **Maryland Small Business Innovation Research and Technology Transfer**  
3 **Incentive Program – Alterations**

4 FOR the purpose of repealing certain provisions of law specifying certain limitations on  
5 awards or investments provided to certain small businesses under the Maryland  
6 Small Business Innovation Research and Technology Transfer Incentive Program;  
7 and generally relating to the Maryland Small Business Innovation Research and  
8 Technology Transfer Incentive Program.

9 BY repealing and reenacting, without amendments,  
10 Article – Economic Development  
11 Section 10–474(a) and (b)  
12 Annotated Code of Maryland  
13 (2024 Replacement Volume and 2024 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article – Economic Development  
16 Section 10–476  
17 Annotated Code of Maryland  
18 (2024 Replacement Volume and 2024 Supplement)

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

21 **Article – Economic Development**

---

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 10-474.

2 (a) There is a Maryland Small Business Innovation Research and Technology  
3 Transfer Incentive Program.

4 (b) The Corporation shall administer the Program.

5 10-476.

6 (a) An applicant shall submit an application for a Program award or investment  
7 on the form that the Corporation requires.

8 (b) The Program shall review the application and all supporting materials to  
9 evaluate whether the applicant qualifies for an award or investment from the Program.

10 (c) (1) Subject to the availability of money in the Fund and paragraph (2) of  
11 this subsection, the Program may provide to an eligible small business an award or  
12 investment to match in part a small business innovation research award or small business  
13 technology transfer award.

14 (2) The Program shall prioritize providing awards and investments to  
15 eligible small businesses that are engaged in research and development activities that  
16 assist in the prevention of, preparedness for, or response to a public health crisis in the  
17 State.

18 (d) [Except as provided in subsection (f) of this section, a small business that  
19 receives an award or investment for a Phase I small business innovation research award  
20 or small business technology transfer award shall receive an award or investment in an  
21 amount that is the lesser of:

22 (1) 25% of the Phase I small business innovation research award or small  
23 business technology transfer award; or

24 (2) \$25,000.

25 (e) Except as provided in subsection (f) of this section, a small business that  
26 receives an award or investment for a Phase II small business innovation research award  
27 or small business technology transfer award shall receive an award or investment in an  
28 amount that is the lesser of:

29 (1) 25% of the Phase II small business innovation research award or small  
30 business technology transfer award; or

31 (2) \$75,000.

1 (f) On the recommendation of the Executive Director, the Board may approve an  
2 award or investment in a small business in excess of the limitations specified under  
3 subsections (d) and (e) of this section if the Board determines that the award is necessary  
4 to better serve the community and the purposes of the Program.

5 (g) During each fiscal year:

6 (1) the Corporation may not provide more than 20 awards or investments  
7 in accordance with subsection (d) of this section or more than 10 awards or investments in  
8 accordance with subsection (e) of this section; and

9 (2) a small business may not receive more than one award or investment.

10 (h) A small business may not receive:

11 (1) MORE THAN ONE AWARD OR INVESTMENT DURING EACH FISCAL  
12 YEAR; AND

13 (2) more than three awards or investments under this part.

14 [(i)] (E) (1) Subject to paragraph (2) of this subsection, each quarter, the  
15 Corporation shall provide awards and investments on a competitive basis to eligible small  
16 businesses.

17 (2) In providing an award or investment under this section, the  
18 Corporation:

19 (i) shall consider:

20 1. the impact of the award or investment on the small  
21 business; and

22 2. how the small business will utilize the award or  
23 investment toward commercialization of the research conducted by the small business; and

24 (ii) may consider any additional criteria specified by the Corporation  
25 in regulation.

26 [(j)] (F) The Program shall coordinate with comparable State and county  
27 programs to:

28 (1) conduct marketing and outreach, including conducting joint workshops,  
29 online training opportunities, and outreach to economically disadvantaged small  
30 businesses, minority-owned small businesses, women-owned small businesses, rural small  
31 businesses, and first-time small business innovation research award or small business  
32 technology transfer award applicants; and

1                   (2)    provide assistance to eligible businesses under this part.

2                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
3 1, 2025.

Approved:

---

Governor.

---

Speaker of the House of Delegates.

---

President of the Senate.