

## Chapter 381

**(Senate Bill 763)**

AN ACT concerning

**Maryland Technology Development Corporation – Maryland Growth Initiative –  
Established**

FOR the purpose of establishing the Maryland Growth Initiative in the Maryland Technology Development Corporation to support the growth of start-up companies; requiring the Initiative to create a certain list of companies in the State that are between certain growth phases according to a certain priority; establishing the Maryland Growth Initiative Fund to be administered by the Corporation as a special, nonlapsing fund; requiring the interest earnings of the Fund to be credited to the Fund; requiring the Governor to include an appropriation in the annual budget bill for the Initiative; and generally relating to the Maryland Growth Initiative.

BY adding to

Article – Economic Development

Section 10–4E–01 through 10–4E–05 to be under the new subtitle “Subtitle 4E.  
Maryland Growth Initiative”

Annotated Code of Maryland

(2024 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(i) and (ii)

Annotated Code of Maryland

(2021 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(iii)212. and 213.

Annotated Code of Maryland

(2021 Replacement Volume and 2025 Supplement)

BY adding to

Article – State Finance and Procurement

Section 6–226(a)(2)(iii)214.

Annotated Code of Maryland

(2021 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, without amendments,

Article – State Government

Section 9–4119(a)

Annotated Code of Maryland

(2021 Replacement Volume and 2025 Supplement)

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

**Article – Economic Development**

**SUBTITLE 4E. MARYLAND GROWTH INITIATIVE.**

**10-4E-01.**

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

(B) “CORPORATION” MEANS THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION.

(C) “FUND” MEANS THE MARYLAND GROWTH INITIATIVE FUND.

(D) “INITIATIVE” MEANS THE MARYLAND GROWTH INITIATIVE.

**10-4E-02.**

(A) THERE IS A MARYLAND GROWTH INITIATIVE IN THE CORPORATION.

(B) THE PURPOSE OF THE INITIATIVE IS TO SUPPORT THE GROWTH OF START-UP COMPANIES IN THE STATE BY:

(1) IDENTIFYING PROMISING COMPANIES IN THE PHASE BETWEEN EARLY START-UP DEVELOPMENT AND SCALING;

(2) PROVIDING ACCESS TO EXPERTS IN REGULATORY PROCESSES, MANUFACTURING, CLINICAL TRIALS, MARKET LAUNCHES, AND OTHER AREAS OF BUSINESS;

(3) FACILITATING PRIVATE INVESTMENT IN COMPANIES;

(4) ASSISTING IN THE ACQUISITION OF INFRASTRUCTURE INCLUDING OFFICE SPACE, EQUIPMENT, AND SUPPORT FOR PRODUCT DEVELOPMENT; AND

(5) PROVIDING TECHNICAL AND BUSINESS EXPERTISE.

**10-4E-03.**

(A) **THERE IS A MARYLAND GROWTH INITIATIVE FUND.**

(B) **THE PURPOSE OF THE FUND IS TO PROVIDE POSTSEED AND SERIES A FUNDING TO QUALIFIED BUSINESSES IN THE STATE TO SCALE UP WITHOUT NEEDING TO RELOCATE.**

(C) **THE CORPORATION SHALL ADMINISTER THE FUND.**

(D) (1) **THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

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

(E) **THE FUND CONSISTS OF:**

(1) **MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

(2) **PUBLIC AND PRIVATE INVESTMENT FUNDS;**

(3) **INTEREST EARNINGS; AND**

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

(F) **THE FUND MAY BE USED ONLY:**

(1) **FOR THE PURPOSES DESCRIBED IN SUBSECTION (B) OF THIS SECTION;**

(2) **FOR THE PURPOSES DESCRIBED IN § 10-4E-02 OF THIS SUBTITLE;**

AND

~~(2)~~ (3) **TO PAY THE COSTS NECESSARY TO ADMINISTER THE INITIATIVE.**

(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) (1) THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$5,000,000 FOR THE INITIATIVE.**

**(2) THE FUNDING PROVIDED IN THIS SUBSECTION SHALL BE USED TO SUPPLEMENT, NOT SUPPLANT, ANY FUNDS THAT WOULD OTHERWISE BE PROVIDED TO THE INITIATIVE.**

**10-4E-04.**

**(A) THE INITIATIVE SHALL CREATE A CURATED LIST OF COMPANIES IN THE STATE THAT ARE BETWEEN THE START-UP AND SCALING PHASES.**

**(B) PRIORITY SHALL BE GIVEN TO COMPANIES THAT ARE:**

**(1) CURRENT OR PRIOR RECIPIENTS OF FUNDING FROM THE MARYLAND INNOVATION INITIATIVE;**

**(2) CURRENT OR PRIOR RECIPIENTS OF FUNDING FROM ANY OTHER PROGRAM ADMINISTERED BY THE CORPORATION; ~~AND~~**

**(3) MINORITY BUSINESS ENTERPRISES DESCRIBED IN § 9-4119(A) OF THE STATE GOVERNMENT ARTICLE; AND**

**(4) LOCATED IN A HIGH-NEED OR ECONOMICALLY DISTRESSED GEOGRAPHIC AREA OF THE STATE AS DETERMINED BY THE CORPORATION.**

**10-4E-05.**

**THE CORPORATION MAY ADOPT REGULATIONS TO IMPLEMENT THIS SUBTITLE.**

**Article – State Finance and Procurement**

**6-226.**

**(a) (2) (i) This paragraph does not apply in fiscal years 2024 through 2028.**

**(ii) 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.**

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

212. the Department of Social and Economic Mobility Special Fund; [and]

213. the Population Health Improvement Fund; AND

**214. THE MARYLAND GROWTH INITIATIVE FUND.**

**Article – State Government**

9–4119.

(a) This section applies to the following minority business enterprises:

(1) a publicly owned business if 1 or more minority persons own at least 51% of the stock of the business; or

(2) any other business if 1 or more minority persons own at least 50% of the business.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2026.

**Approved by the Governor, May 12, 2026.**