

Chapter 380

(House Bill 487)

AN ACT concerning

Maryland Technology Development Corporation – Investments – Alterations

FOR the purpose of requiring the Maryland Technology Development Corporation to adopt certain regulations regarding the consideration of remedies for investments in certain businesses that no longer meet the definition of qualified business for purposes of provisions of law governing the Corporation; authorizing, rather than requiring, the Corporation to divest itself of an interest under certain circumstances; authorizing the Corporation to pursue certain other remedies under certain circumstances; and generally relating to the Maryland Technology Development Corporation.

BY repealing and reenacting, without amendments,
Article – Economic Development
Section 10–401(a) and (c)
Annotated Code of Maryland
(2024 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, with amendments,
Article – Economic Development
Section 10–408(a) and 10–470
Annotated Code of Maryland
(2024 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

10–401.

- (a) In this subtitle the following words have the meanings indicated.
- (c) “Corporation” means the Maryland Technology Development Corporation.

10–408.

- (a) The Corporation shall adopt regulations establishing:
 - (1) the investment committee;
 - (2) the responsibilities of the investment committee, **INCLUDING A**

PROCESS FOR CONSIDERING REMEDIES, INCLUDING DIVESTMENT, FOR INVESTMENTS IN A BUSINESS THAT NO LONGER MEETS THE DEFINITION OF A QUALIFIED BUSINESS; and

- (3) the procedures for the appointment of investment committee members.

10–470.

(a) The Corporation may require that all or part of a grant be repaid, with interest at a rate the Corporation sets, when conditions specified by the Corporation occur.

(b) (1) Whenever the Corporation is authorized by law to make a grant, including a grant from the Economic Development Opportunities Program Account authorized under § 7–314 of the State Finance and Procurement Article, the Corporation may use money appropriated for the grant to make an equity investment in a qualified business.

(2) (i) Except as provided in subparagraph (ii) of this paragraph and Subtitle 4A of this title, in making an equity investment under this subtitle or Subtitle 4A of this title, the Corporation may not acquire an ownership interest in an enterprise that exceeds 25%.

(ii) In making an equity investment under this subtitle or Subtitle 4A of this title in one or more venture or private equity firms, the Corporation may acquire an ownership interest exceeding 25%.

(3) Within 15 years after making an equity investment under this subtitle or Subtitle 4A of this title, the Corporation [shall], **ON REVIEW AND APPROVAL OF THE CORPORATION’S INVESTMENT COMMITTEE, MAY** divest itself of that investment **OR PURSUE ANOTHER REMEDY THAT IS IN THE CORPORATION’S BEST INTEREST.**

(4) The liability of the State and the Corporation in making an equity investment under this subtitle or Subtitle 4A of this title is limited to the amount of that investment.

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

Approved by the Governor, May 12, 2026.