

# SENATE BILL 709

C8

1lr2764  
CF HB 892

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By: **Senators Edwards and Corderman**

Introduced and read first time: February 3, 2021

Assigned to: Finance

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## 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; establishing the purposes of the  
6 Program; establishing the Maryland Technology Infrastructure Authority; providing  
7 for the appointment of members, the selection of officers, and the purposes and  
8 procedures of the Authority; establishing the Maryland Technology Infrastructure  
9 Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the  
10 Executive Director of the Corporation or the Executive Director’s designee to  
11 administer the Fund; requiring the State Treasurer to hold the Fund and the  
12 Comptroller to account for the Fund; specifying the contents of the Fund; providing  
13 for the investment of money in and expenditures from the Fund; requiring interest  
14 earnings of the Fund to be credited to the Fund; exempting the Fund from a certain  
15 provision of law requiring interest earnings on State money to accrue to the General  
16 Fund of the State; requiring the Program to provide certain financial assistance to  
17 certain entities for certain purposes, subject to certain conditions; requiring certain  
18 projects to be given priority for certain awards of financial assistance; requiring the  
19 Authority to adopt certain regulations; requiring the Corporation and the Authority  
20 to report to the Governor and the General Assembly on or before a certain date;  
21 defining certain terms; and generally relating to the Maryland Technology  
22 Infrastructure Pilot Program and the Maryland Technology Development  
23 Corporation.

24 BY adding to

25 Article – Economic Development

26 Section 10–4C–01 through 10–4C–10 to be under the new subtitle “Subtitle 4C.  
27 Maryland Technology Infrastructure Pilot Program”

28 Annotated Code of Maryland

29 (2018 Replacement Volume and 2020 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, without amendments,  
2 Article – State Finance and Procurement  
3 Section 6–226(a)(2)(i)  
4 Annotated Code of Maryland  
5 (2015 Replacement Volume and 2020 Supplement)

6 BY repealing and reenacting, with amendments,  
7 Article – State Finance and Procurement  
8 Section 6–226(a)(2)(ii)122. and 123.  
9 Annotated Code of Maryland  
10 (2015 Replacement Volume and 2020 Supplement)

11 BY adding to  
12 Article – State Finance and Procurement  
13 Section 6–226(a)(2)(ii)124.  
14 Annotated Code of Maryland  
15 (2015 Replacement Volume and 2020 Supplement)

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

18 **Article – Economic Development**

19 **SUBTITLE 4C. MARYLAND TECHNOLOGY INFRASTRUCTURE PILOT PROGRAM.**

20 **10–4C–01.**

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

23 (B) “AUTHORITY” MEANS THE MARYLAND TECHNOLOGY  
24 INFRASTRUCTURE AUTHORITY.

25 (C) “CORPORATION” MEANS THE MARYLAND TECHNOLOGY  
26 DEVELOPMENT CORPORATION.

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

29 (E) “FUND” MEANS THE MARYLAND TECHNOLOGY INFRASTRUCTURE  
30 FUND.

31 (F) “PROGRAM” MEANS THE MARYLAND TECHNOLOGY INFRASTRUCTURE  
32 PILOT PROGRAM.

1 (G) "PROJECT" MEANS A LARGE-SCALE, TRANSFORMATIVE  
2 INFRASTRUCTURE INITIATIVE INTENDED TO PROMOTE THE DEVELOPMENT AND  
3 GROWTH OF INNOVATION-BASED BUSINESS IN WESTERN MARYLAND.

4 (H) "WESTERN MARYLAND" MEANS ALLEGANY, GARRET, AND  
5 WASHINGTON COUNTIES.

6 10-4C-02.

7 (A) THERE IS A MARYLAND TECHNOLOGY INFRASTRUCTURE PILOT  
8 PROGRAM IN THE CORPORATION.

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

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

14 (2) SUPPORT THE GROWTH OF AND INCENTIVIZE THE ATTRACTION  
15 AND RETENTION OF EARLY-STAGE INNOVATION-BASED BUSINESS IN WESTERN  
16 MARYLAND THROUGH THE CREATION OF SUPPORTING INFRASTRUCTURE AND  
17 RESOURCES;

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

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

22 10-4C-03.

23 (A) THERE IS A MARYLAND TECHNOLOGY INFRASTRUCTURE AUTHORITY  
24 IN THE CORPORATION.

25 (B) THE CORPORATION SHALL PROVIDE STAFF TO THE AUTHORITY AND  
26 MAY EMPLOY OR CONTRACT WITH EXPERTS TO ASSIST WITH THE ADMINISTRATION  
27 AND MANAGEMENT OF THE PROGRAM.

28 10-4C-04.

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

30 (1) TWO MEMBERS APPOINTED BY THE GOVERNOR WHO ARE

1 **ENTREPRENEURS OR BUSINESS OWNERS IN WESTERN MARYLAND;**

2 **(2) THE PRESIDENT OF FROSTBURG STATE UNIVERSITY, OR THE**  
3 **PRESIDENT'S DESIGNEE;**

4 **(3) THE PRESIDENT OF A COMMUNITY COLLEGE LOCATED IN**  
5 **WESTERN MARYLAND, OR THE PRESIDENT'S DESIGNEE, APPOINTED BY THE**  
6 **MARYLAND ASSOCIATION OF COMMUNITY COLLEGES; AND**

7 **(4) THE EXECUTIVE DIRECTOR OF THE CORPORATION, OR THE**  
8 **EXECUTIVE DIRECTOR'S DESIGNEE.**

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

10 **10-4C-05.**

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

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

14 **(B) A MEMBER OF THE AUTHORITY:**

15 **(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE**  
16 **AUTHORITY; BUT**

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

19 **(C) A MEMBER OF THE AUTHORITY SHALL FILE AN ANNUAL PUBLIC**  
20 **DISCLOSURE OF FINANCIAL INTERESTS AS REQUIRED UNDER THE MARYLAND**  
21 **PUBLIC ETHICS LAW.**

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

25 **10-4C-06.**

26 **THE AUTHORITY SHALL PROVIDE ADVICE TO AND CONSULT WITH THE**  
27 **CORPORATION IN CONNECTION WITH THE ADMINISTRATION OF THE PROGRAM**  
28 **UNDER THIS SUBTITLE.**

29 **10-4C-07.**

1           **(A) THERE IS A MARYLAND TECHNOLOGY INFRASTRUCTURE FUND IN THE**  
2 **CORPORATION.**

3           **(B) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**  
4 **SUBJECT TO REVERSION UNDER § 7-302 OF THE STATE FINANCE AND**  
5 **PROCUREMENT ARTICLE.**

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

8           **(C) THE FUND CONSISTS OF:**

9                   **(1) APPROPRIATIONS AS PROVIDED IN THE STATE BUDGET;**

10                   **(2) ANY INTEREST EARNINGS OF THE FUND; AND**

11                   **(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**  
12 **THE BENEFIT OF THE PROGRAM.**

13           **(D) THE EXECUTIVE DIRECTOR OF THE CORPORATION, OR THE EXECUTIVE**  
14 **DIRECTOR'S DESIGNEE, SHALL ADMINISTER THE FUND IN ACCORDANCE WITH THIS**  
15 **SUBTITLE AND ANY OTHER APPLICABLE LAW.**

16           **(E) THE FUND SHALL BE USED TO COVER THE COSTS OF THE PROGRAM,**  
17 **INCLUDING:**

18                   **(1) ANY ADMINISTRATIVE COSTS; AND**

19                   **(2) ANY FINANCIAL ASSISTANCE THAT IS AWARDED TO ELIGIBLE**  
20 **RECIPIENTS.**

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

23                   **(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED**  
24 **TO THE FUND.**

25           **(G) THE OFFICE OF LEGISLATIVE AUDITS SHALL AUDIT THE ACCOUNT AND**  
26 **TRANSACTIONS OF THE FUND AS PROVIDED IN § 2-1220 OF THE STATE**  
27 **GOVERNMENT ARTICLE.**

28 **10-4C-08.**

1           **(A) WITHIN THE PROGRAM, SUBJECT TO AVAILABLE FUNDING, AND ON THE**  
2 **RECOMMENDATION OF THE AUTHORITY, THE CORPORATION SHALL AWARD**  
3 **FINANCIAL ASSISTANCE FROM THE FUND TO PUBLIC OR PRIVATE ENTITIES IN THE**  
4 **STATE, INCLUDING INSTITUTIONS OF HIGHER EDUCATION, TO:**

5           **(1) SUPPORT LARGE-SCALE INFRASTRUCTURE OR RESOURCE**  
6 **PROJECTS IN WESTERN MARYLAND TO ATTRACT TALENT, FOSTER**  
7 **COLLABORATION, AND ENABLE CONCENTRATION AND GROWTH OF ADVANCED**  
8 **INDUSTRIES;**

9           **(2) FOSTER PUBLIC-PRIVATE COLLABORATIONS TO ENCOURAGE**  
10 **DEVELOPMENT OF SHARED INFRASTRUCTURE AND RESOURCES; AND**

11           **(3) SUPPORT TALENT DEVELOPMENT INITIATIVES THAT ADDRESS**  
12 **CRITICAL SKILL SHORTAGE AREAS IN INDUSTRIES CRITICAL TO GROWTH IN**  
13 **WESTERN MARYLAND.**

14           **(B) THE FUND MAY NOT CONTRIBUTE MORE THAN:**

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

16           **(2) \$500,000 PER PROJECT.**

17 **10-4C-09.**

18           **(A) THE AUTHORITY SHALL ADOPT REGULATIONS TO ESTABLISH:**

19           **(1) A COMPETITIVE APPLICATION PROCESS; AND**

20           **(2) CRITERIA AND PROCEDURES FOR AWARDING FINANCIAL**  
21 **ASSISTANCE FROM THE FUND TO ELIGIBLE RECIPIENTS, INCLUDING CRITERIA THAT**  
22 **EXAMINE:**

23           **(I) THE PROJECT'S POTENTIAL IMPACT ON THE LOCAL**  
24 **ECONOMY;**

25           **(II) THE PROJECT'S LIKELIHOOD TO FOSTER JOB CREATION;**  
26 **AND**

27           **(III) CAPITAL INVESTMENT IN THE PROJECT.**

28           **(B) (1) IN ACCORDANCE WITH THIS SUBTITLE, ALL PRIVATE SECTOR**

1 ENTITIES IN THE STATE AND ALL INSTITUTIONS OF HIGHER EDUCATION IN THE  
2 STATE MAY BE ELIGIBLE RECIPIENTS OF FINANCIAL ASSISTANCE.

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

5 (I) ATTRACT SIGNIFICANT INVESTMENT IN THE STATE;

6 (II) RESULT IN SIGNIFICANT COMPANY FORMATION,  
7 EXPANSION, OR JOB CREATION; OR

8 (III) RESULT IN MEANINGFUL ECONOMIC AND EMPLOYMENT  
9 DEVELOPMENT IN WESTERN MARYLAND.

10 10-4C-10.

11 ON OR BEFORE JULY 1, 2025, THE CORPORATION SHALL REPORT TO THE  
12 GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT  
13 ARTICLE, ON THE IMPLEMENTATION OF THE PILOT PROGRAM AND SHALL MAKE  
14 RECOMMENDATIONS ON THE EXPANSION OF THE PILOT PROGRAM TO A STATEWIDE  
15 PROGRAM.

16 Article – State Finance and Procurement

17 6-226.

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

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

26 122. the Racing and Community Development Financing Fund;

27 [and]

28 123. the Racing and Community Development Facilities Fund;

29 AND

30 124. THE MARYLAND TECHNOLOGY INFRASTRUCTURE  
31 FUND.

1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
2 1, 2021. It shall remain effective for a period of 5 years and, at the end of June 30, 2026,  
3 this Act, with no further action required by the General Assembly, shall be abrogated and  
4 of no further force and effect.