

SENATE BILL 802

C8

11r2671
CF HB 1169

By: **Senators Edwards and Corderman**

Introduced and read first time: February 9, 2021

Assigned to: Finance and Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development – Maryland Innovation Initiative University Expansion**
3 **Pilot Program – Establishment**

4 FOR the purpose of establishing the Maryland Innovation Initiative University Expansion
5 Pilot Program within the Maryland Technology Development Corporation; providing
6 for the purpose of the Pilot Program; requiring the Maryland Innovation Initiative
7 within the Corporation to implement and administer the Pilot Program; authorizing
8 Frostburg State University to participate in the Pilot Program; requiring Frostburg
9 State University to pay a certain annual contribution to participate in the Pilot
10 Program; establishing eligibility criteria for project proposals to receive funding
11 under the Pilot Program; requiring the Initiative to develop certain criteria to
12 review, evaluate, and rate certain project proposals; requiring the Executive Director
13 of the Initiative to distribute certain grants in a certain manner; requiring the
14 Governor to include a certain amount in the State budget for certain fiscal years for
15 the Pilot Program; requiring the Corporation to make a certain report on or before a
16 certain date; altering the purpose and contents of the Maryland Innovation Initiative
17 Fund; defining a certain term; providing for the termination of this Act; and
18 generally relating to the establishment of the Maryland Innovation Initiative
19 University Expansion Pilot Program.

20 BY repealing and reenacting, without amendments,
21 Article – Economic Development
22 Section 10–454(a), (b), and (d), 10–455(a), and 10–457(a)
23 Annotated Code of Maryland
24 (2018 Replacement Volume and 2020 Supplement)

25 BY repealing and reenacting, with amendments,
26 Article – Economic Development
27 Section 10–457(b) and (d)
28 Annotated Code of Maryland
29 (2018 Replacement Volume and 2020 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to
2 Article – Economic Development
3 Section 10–461
4 Annotated Code of Maryland
5 (2018 Replacement Volume and 2020 Supplement)

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

8 **Article – Economic Development**

9 10–454.

10 (a) In this part the following words have the meanings indicated.

11 (b) “Commercialization” means the process of introducing a new product or
12 technology into the market.

13 (d) “Initiative” means the Maryland Innovation Initiative established under §
14 10–455 of this subtitle.

15 10–455.

16 (a) There is a Maryland Innovation Initiative.

17 10–457.

18 (a) There is a Maryland Innovation Initiative Fund.

19 (b) The purpose of the Fund is to provide funding for the purposes described in [§
20 10–456] **§§ 10–456 AND 10–461** of this subtitle.

21 (d) The Fund consists of:

22 (1) appropriations as provided in the State budget;

23 (2) contributions by the qualifying universities under § 10–455 of this
24 subtitle **AND FROSTBURG STATE UNIVERSITY UNDER § 10–461 OF THIS SUBTITLE;**

25 (3) grants or funds from federal laboratories located in Maryland;

26 (4) interest or other income earned on the investment of money in the
27 Fund; and

28 (5) any other money accepted for the benefit of the Initiative.

1 **10-461.**

2 (A) IN THIS SECTION, "PILOT PROGRAM" MEANS THE MARYLAND
3 INNOVATION INITIATIVE UNIVERSITY EXPANSION PILOT PROGRAM.

4 (B) (1) THERE IS A MARYLAND INNOVATION INITIATIVE UNIVERSITY
5 EXPANSION PILOT PROGRAM.

6 (2) THE PURPOSE OF THE PILOT PROGRAM IS TO EXPAND
7 OPPORTUNITIES FOR TECHNOLOGY VALIDATION, ENTREPRENEURIAL
8 DEVELOPMENT, AND INDUSTRY ENGAGEMENT AT FROSTBURG STATE UNIVERSITY.

9 (C) THE INITIATIVE SHALL IMPLEMENT AND ADMINISTER THE PILOT
10 PROGRAM.

11 (D) TO QUALIFY FOR PARTICIPATION IN THE PILOT PROGRAM, FROSTBURG
12 STATE UNIVERSITY SHALL PAY AN ANNUAL CONTRIBUTION OF \$50,000.

13 (E) (1) ONLY FROSTBURG STATE UNIVERSITY MAY SUBMIT PROJECT
14 PROPOSALS FOR FUNDING UNDER THE PILOT PROGRAM.

15 (2) TO QUALIFY FOR A GRANT UNDER THE PILOT PROGRAM, A
16 PROJECT PROPOSAL MUST:

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

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

21 (III) FOSTER ENTREPRENEURIAL DEVELOPMENT AT
22 FROSTBURG STATE UNIVERSITY;

23 (IV) CREATE AN OPPORTUNITY FOR MEANINGFUL ECONOMIC
24 IMPACT IN THE REGION AROUND FROSTBURG STATE UNIVERSITY; OR

25 (V) FOSTER COLLABORATION BETWEEN FROSTBURG STATE
26 UNIVERSITY AND AN INDUSTRY PARTNER, INCLUDING:

27 1. PRODUCT DEVELOPMENT WITH COMMERCIALIZATION
28 POTENTIAL; AND

1 **2. MATCHING FUNDS PROVIDED BY THE INDUSTRY**
2 **PARTNER.**

3 **(F) (1) THE INITIATIVE SHALL DEVELOP CRITERIA TO REVIEW,**
4 **EVALUATE, AND RATE PROJECT PROPOSALS FOR FUNDING UNDER THE PILOT**
5 **PROGRAM.**

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

9 **(G) (1) FOR FISCAL YEARS 2023 AND 2024, EACH YEAR THE GOVERNOR**
10 **SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$500,000 FOR**
11 **THE PILOT PROGRAM.**

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

15 **(H) IN ADDITION TO INFORMATION ON THE INITIATIVE INCLUDED IN THE**
16 **ANNUAL REPORT OF THE CORPORATION UNDER § 10-415 OF THIS SUBTITLE, ON OR**
17 **BEFORE JULY 1, 2024, THE CORPORATION SHALL REPORT TO THE GENERAL**
18 **ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE,**
19 **ON THE IMPLEMENTATION OF THE PILOT PROGRAM.**

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
21 1, 2021. It shall remain effective for a period of 3 years and, at the end of June 30, 2024,
22 this Act, with no further action required by the General Assembly, shall be abrogated and
23 of no further force and effect.