

SENATE BILL 577

C8
SB 826/20 – FIN & B&T

1lr1792
CF HB 443

By: **Senators McCray and Edwards**

Introduced and read first time: January 29, 2021

Assigned to: Finance and Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 13, 2021

CHAPTER _____

1 AN ACT concerning

2 **Economic Development – Makerspace Initiative Pilot Program**

3 FOR the purpose of establishing the Makerspace Initiative Pilot Program in the Maryland
4 Technology Development Corporation; establishing the purposes of the Program;
5 requiring the Corporation to partner with a certain entity to provide technical
6 assistance to certain nonprofit entities; authorizing the Corporation to award certain
7 financial assistance to local governments, certain designees of local governments,
8 and certain nonprofit entities for the establishment of makerspaces in the State;
9 requiring the Corporation, ~~after consulting with the Secretary of Commerce,~~ to adopt
10 certain standards; authorizing the Corporation to award financial assistance subject
11 to certain limitations; requiring a recipient of financial assistance to provide certain
12 matching funds or in-kind contributions; prohibiting the Corporation from awarding
13 financial assistance within a single county exceeding a certain amount except under
14 certain circumstances; establishing the Makerspace Initiative Fund as a special,
15 nonlapsing fund; specifying the purpose of the Fund; requiring the Executive
16 Director of the Maryland Technology Development Corporation or the Executive
17 Director's designee to administer the Fund; requiring the State Treasurer to hold the
18 Fund and the Comptroller to account for the Fund; specifying the contents of the
19 Fund; requiring the Governor, for certain fiscal years, to include a certain
20 appropriation in the annual budget bill for the Fund; providing for the investment of
21 money in and expenditures from the Fund; requiring interest earnings of the Fund
22 to be credited to the Fund; providing that certain appropriations and expenditures
23 are subject to audit by the Office of Legislative Audits; exempting the Fund from a
24 certain provision of law requiring interest earnings on State money to accrue to the

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 General Fund of the State; defining certain terms; providing for the termination of
2 this Act; and generally relating to the Makerspace Initiative Pilot Program.

3 BY repealing and reenacting, without amendments,
4 Article – Economic Development
5 Section ~~9–101(a) and (c) and~~ 10–401(a) through (c)
6 Annotated Code of Maryland
7 (2018 Replacement Volume and 2020 Supplement)

8 BY adding to
9 Article – Economic Development
10 Section 10–473 through 10–477 to be under the new part “Part VIII. Makerspace
11 Initiative Pilot Program”
12 Annotated Code of Maryland
13 (2018 Replacement Volume and 2020 Supplement)

14 BY repealing and reenacting, without amendments,
15 Article – State Finance and Procurement
16 Section 6–226(a)(2)(i)
17 Annotated Code of Maryland
18 (2015 Replacement Volume and 2020 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article – State Finance and Procurement
21 Section 6–226(a)(2)(ii)122. and 123.
22 Annotated Code of Maryland
23 (2015 Replacement Volume and 2020 Supplement)

24 BY adding to
25 Article – State Finance and Procurement
26 Section 6–226(a)(2)(ii)124.
27 Annotated Code of Maryland
28 (2015 Replacement Volume and 2020 Supplement)

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

31 **Article – Economic Development**

32 ~~9–101.~~

33 ~~(a) In this division the following words have the meanings indicated.~~

34 ~~(c) “Secretary” means the Secretary of Commerce.~~

35 10–401.

- 1 (a) In this subtitle the following words have the meanings indicated.
- 2 (b) “Board” means the Board of Directors of the Corporation.
- 3 (c) “Corporation” means the Maryland Technology Development Corporation.

4 **PART VIII. MAKERSPACE INITIATIVE PILOT PROGRAM.**

5 **10-473.**

6 (A) IN THIS PART THE FOLLOWING WORDS HAVE THE MEANINGS
7 INDICATED.

8 (B) “FINANCIAL ASSISTANCE” MEANS A GRANT, A LOAN, OR SIMILAR
9 ASSISTANCE.

10 (C) “FUND” MEANS THE MAKERSPACE INITIATIVE FUND.

11 (D) “PROGRAM” MEANS THE MAKERSPACE INITIATIVE PILOT PROGRAM.

12 **10-474.**

13 (A) THERE IS A MAKERSPACE INITIATIVE PILOT PROGRAM IN THE
14 CORPORATION.

15 (B) THE PURPOSE OF THE PROGRAM IS TO ENCOURAGE THE
16 ESTABLISHMENT AND EXPANSION OF MAKERSPACES THROUGHOUT THE STATE.

17 (C) (1) THE CORPORATION SHALL ADMINISTER THE PROGRAM.

18 (2) THE CORPORATION SHALL PARTNER WITH THE OPEN WORKS
19 CENTER FOR ADVANCED FABRICATION TECHNOLOGIES IN BALTIMORE CITY TO
20 PROVIDE TECHNICAL ASSISTANCE TO NONPROFIT ENTITIES SEEKING TO ESTABLISH
21 MAKERSPACES IN THE STATE.

22 **10-475.**

23 (A) TO CARRY OUT THE PURPOSES OF THE PROGRAM, THE CORPORATION
24 SHALL AWARD FINANCIAL ASSISTANCE UNDER THIS PART TO ELIGIBLE APPLICANTS
25 FOR THE ESTABLISHMENT OR EXPANSION OF MAKERSPACES IN THE STATE.

26 (B) THE CORPORATION SHALL AWARD FINANCIAL ASSISTANCE FROM THE
27 FUNDS AVAILABLE UNDER THE MAKERSPACE INITIATIVE FUND ESTABLISHED
28 UNDER § 10-477 OF THIS SUBTITLE.

1 10-476.

2 (A) ~~AFTER CONSULTING WITH THE SECRETARY, THE~~ THE CORPORATION
3 SHALL ADOPT STANDARDS TO AWARD FINANCIAL ASSISTANCE.

4 (B) THE CORPORATION MAY AWARD FINANCIAL ASSISTANCE TO:

5 (1) A LOCAL GOVERNMENT;

6 (2) AN AGENCY, AN INSTRUMENTALITY, OR A NONPROFIT
7 CORPORATION THAT THE LOCAL GOVERNMENT DESIGNATES; OR

8 (3) A NONPROFIT ENTITY OPERATING OR SEEKING TO OPERATE A
9 MAKERSPACE IN THE STATE.

10 (C) (1) IN FISCAL YEAR 2023, THE CORPORATION MAY AWARD FINANCIAL
11 ASSISTANCE AS FOLLOWS:

12 (I) \$50,000 TO ESTABLISH MAKERSPACE PROGRAMS WITH
13 WESTERN MARYLAND WORKS; AND

14 (II) \$125,000 TO ESTABLISH OR EXPAND MAKERSPACES IN UP
15 TO FOUR COUNTIES NOT SERVED BY WESTERN MARYLAND WORKS.

16 (2) IN EACH OF FISCAL YEARS ~~2023, 2024,~~ 2024 AND 2025, THE
17 CORPORATION MAY AWARD FINANCIAL ASSISTANCE AS FOLLOWS:

18 ~~(1)~~ (I) \$50,000 TO ESTABLISH MAKERSPACE PROGRAMS WITH
19 WESTERN MARYLAND WORKS; AND

20 ~~(2)~~ (II) \$250,000 TO ESTABLISH OR EXPAND MAKERSPACES IN UP
21 TO FOUR COUNTIES NOT SERVED BY WESTERN MARYLAND WORKS.

22 (D) A RECIPIENT OF FINANCIAL ASSISTANCE UNDER THIS SECTION SHALL
23 PROVIDE MATCHING FUNDS OR IN-KIND CONTRIBUTIONS FOR THE PROJECT AT
24 LEAST EQUAL TO THE AMOUNT OF FINANCIAL ASSISTANCE AWARDED.

25 (E) UNLESS TWO-THIRDS OF THE MEMBERSHIP OF THE BOARD APPROVES,
26 THE CORPORATION MAY NOT AWARD FINANCIAL ASSISTANCE WITHIN A SINGLE
27 COUNTY UNDER THIS SECTION THAT EXCEEDS A TOTAL OF \$150,000 IN A SINGLE
28 FISCAL YEAR.

29 10-477.

1 (A) THERE IS A MAKERSPACE INITIATIVE FUND IN THE CORPORATION.

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

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

7 (C) THE FUND CONSISTS OF:

8 (1) APPROPRIATIONS AS PROVIDED IN THE STATE BUDGET;

9 (2) REPAYMENTS OF LOANS MADE THROUGH THE PROGRAM;

10 (3) ANY INTEREST EARNINGS OF THE FUND; AND

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

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

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

18 (1) ADMINISTRATIVE COSTS NOT EXCEEDING \$50,000 IN EACH FISCAL
19 YEAR;

20 (2) (I) FOR FISCAL YEAR 2023, REIMBURSEMENT, NOT EXCEEDING
21 \$50,000, FOR TECHNICAL ASSISTANCE PROVIDED BY THE OPEN WORKS CENTER
22 FOR ADVANCED FABRICATION TECHNOLOGIES IN BALTIMORE CITY; AND

23 (II) REIMBURSEMENT, NOT EXCEEDING \$100,000 IN ~~EACH~~
24 FISCAL ~~YEAR~~ YEARS 2024 AND 2025, FOR TECHNICAL ASSISTANCE PROVIDED BY
25 THE OPEN WORKS CENTER FOR ADVANCED FABRICATION TECHNOLOGIES IN
26 BALTIMORE CITY; AND

27 (3) ANY FINANCIAL ASSISTANCE THAT IS AWARDED TO ELIGIBLE
28 RECIPIENTS IN ACCORDANCE WITH § 10-476 OF THIS SUBTITLE.

29 (F) (1) FOR FISCAL YEAR 2023, THE GOVERNOR SHALL INCLUDE IN THE
30 ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST \$275,000 TO THE FUND.

1 **(2) FOR FISCAL YEARS ~~2023, 2024, 2024~~ AND 2025, THE GOVERNOR**
2 **SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST**
3 **\$450,000 TO THE FUND.**

4 **(G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**
5 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

6 **(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED**
7 **TO THE FUND.**

8 **(H) THE OFFICE OF LEGISLATIVE AUDITS SHALL AUDIT THE ACCOUNTS**
9 **AND TRANSACTIONS OF THE FUND AS PROVIDED IN § 2-1220 OF THE STATE**
10 **GOVERNMENT ARTICLE.**

11 **Article – State Finance and Procurement**

12 6-226.

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

19 (ii) The provisions of subparagraph (i) of this paragraph do not apply
20 to the followings funds:

21 122. the Racing and Community Development Financing Fund;

22 [and]

23 123. the Racing and Community Development Facilities Fund;

24 AND

25 124. **THE MAKERSPACE INITIATIVE FUND.**

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2021. It shall remain effective for a period of 4 years and, at the end of September
28 30, 2025, this Act, with no further action required by the General Assembly, shall be
29 abrogated and of no further force and effect.