

SENATE BILL 358

C8

4lr0690

By: **Senator McCray**

Introduced and read first time: January 16, 2024

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development – Maryland Technology Development Corporation –**
3 **Application and Reporting Requirements**

4 FOR the purpose of requiring an application for investment by the Maryland Technology
5 Development Corporation to include an option for an applicant to provide certain
6 demographic information of the applicant; prohibiting the Corporation from taking
7 any adverse action against an applicant who declines to provide certain demographic
8 information; requiring the Corporation to submit a certain report to the Governor,
9 the Maryland Economic Development Commission, and the General Assembly on or
10 before a certain date concerning certain applicant and investment activities and, in
11 a certain manner, certain demographic information of applicants and founders if
12 available; and generally relating to application and reporting requirements for the
13 Maryland Technology Development Corporation.

14 BY repealing and reenacting, without amendments,
15 Article – Economic Development
16 Section 10–401(a) and (c)
17 Annotated Code of Maryland
18 (2018 Replacement Volume and 2023 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article – Economic Development
21 Section 10–409(a)
22 Annotated Code of Maryland
23 (2018 Replacement Volume and 2023 Supplement)

24 BY adding to
25 Article – Economic Development
26 Section 10–415(c)
27 Annotated Code of Maryland
28 (2018 Replacement Volume and 2023 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article – Economic Development**

4 10–401.

5 (a) In this subtitle the following words have the meanings indicated.

6 (c) “Corporation” means the Maryland Technology Development Corporation.

7 10–409.

8 (a) **(1)** Except as provided in subsection (c) of this section, the Corporation may
9 make grants to or provide equity investment financing for technology–based businesses, if:

10 [(1)] **(I)** the investments are made to a qualified business;

11 [(2)] **(II)** the investments are made on review and approval of a written
12 application that:

13 [(i)] **1.** contains sufficient information to verify that the qualified
14 business has its principal business operations in the State or will have a substantial
15 economic impact on the State; and

16 [(ii)] **2.** contains a certification of the veracity of the information
17 by an authorized signatory of the qualified business; and

18 [(3)] **(III)** at least the number of members that constitutes a quorum of any
19 fund or authority has been appointed under the requirements for that fund or authority.

20 **(2) THE CORPORATION SHALL INCLUDE IN THE APPLICATION FOR**
21 **INVESTMENT DESCRIBED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION:**

22 **(I) AN OPTION FOR AN APPLICANT TO PROVIDE THE**
23 **APPLICANT’S RACE, ETHNICITY, AGE, GENDER, DISABILITY STATUS, AND VETERAN**
24 **STATUS AND THE GEOGRAPHIC AREA OF THE STATE WHERE THE APPLICANT’S**
25 **PRIMARY PLACE OF BUSINESS IS LOCATED; AND**

26 **(II) A STATEMENT ADVISING THE APPLICANT THAT PROVISION**
27 **OF THE INFORMATION DESCRIBED UNDER ITEM (I) OF THIS PARAGRAPH IS**
28 **VOLUNTARY BUT ENCOURAGING APPLICANTS TO PROVIDE THE INFORMATION.**

1 **(3) THE CORPORATION MAY NOT TAKE ANY ADVERSE ACTION**
2 **AGAINST AN APPLICANT WHO DECLINES TO PROVIDE THE INFORMATION DESCRIBED**
3 **UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION.**

4 10-415.

5 **(C) (1) ON OR BEFORE OCTOBER 1, 2024, AND EACH OCTOBER 1**
6 **THEREAFTER, THE CORPORATION SHALL REPORT TO THE GOVERNOR, THE**
7 **MARYLAND ECONOMIC DEVELOPMENT COMMISSION, AND, IN ACCORDANCE WITH §**
8 **2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE**
9 **FOLLOWING INFORMATION FROM THE IMMEDIATELY PRECEDING FISCAL YEAR:**

10 **(I) THE NUMBER OF APPLICATIONS THE CORPORATION**
11 **RECEIVED;**

12 **(II) THE AMOUNT OF INVESTMENT FUNDING THAT WAS**
13 **AVAILABLE AT THE BEGINNING OF THE FISCAL YEAR;**

14 **(III) THE AMOUNT OF INVESTMENT FUNDING THAT WAS**
15 **AVAILABLE AT THE END OF THE FISCAL YEAR;**

16 **(IV) THE AMOUNT OF INVESTMENT FUNDING THAT WAS**
17 **REQUESTED;**

18 **(V) THE NUMBER OF APPLICANTS THE CORPORATION**
19 **INVESTED IN; AND**

20 **(VI) THE AMOUNT OF INVESTMENT FUNDING THE COMMISSION**
21 **AWARDED.**

22 **(2) THE INFORMATION REPORTED IN ACCORDANCE WITH**
23 **PARAGRAPH (1) OF THIS SUBSECTION SHALL:**

24 **(I) SPECIFY WHICH APPLICATIONS AND INVESTMENTS WERE**
25 **FROM SOCIAL IMPACT FUNDS, SEED FUNDS, AND THE MARYLAND VENTURE FUND;**
26 **AND**

27 **(II) IF AVAILABLE, PROVIDE INFORMATION THAT HAS BEEN**
28 **DE-IDENTIFIED AND DISAGGREGATED ON APPLICANTS AND QUALIFIED BUSINESS**
29 **FOUNDERS BY RACE, ETHNICITY, AGE, GENDER, DISABILITY STATUS, VETERAN**
30 **STATUS, AND GEOGRAPHIC LOCATION AND THE DEGREE TO WHICH APPLICANTS AND**
31 **FOUNDERS IDENTIFY WITH MORE THAN ONE DEMOGRAPHIC CATEGORY.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
2 1, 2024.