

SENATE BILL 358

C8

4lr0690
CF HB 753

By: **Senator McCray**

Introduced and read first time: January 16, 2024

Assigned to: Finance

Committee Report: Favorable

Senate action: Adopted

Read second time: February 8, 2024

CHAPTER _____

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)

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 BY adding to
 2 Article – Economic Development
 3 Section 10–415(c)
 4 Annotated Code of Maryland
 5 (2018 Replacement Volume and 2023 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 10–401.

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

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

12 10–409.

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

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

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

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

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

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

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

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

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

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

7 10-415.

8 **(C) (1) ON OR BEFORE OCTOBER 1, 2024, AND EACH OCTOBER 1**
9 **THEREAFTER, THE CORPORATION SHALL REPORT TO THE GOVERNOR, THE**
10 **MARYLAND ECONOMIC DEVELOPMENT COMMISSION, AND, IN ACCORDANCE WITH §**
11 **2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE**
12 **FOLLOWING INFORMATION FROM THE IMMEDIATELY PRECEDING FISCAL YEAR:**

13 **(I) THE NUMBER OF APPLICATIONS THE CORPORATION**
14 **RECEIVED;**

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

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

19 **(IV) THE AMOUNT OF INVESTMENT FUNDING THAT WAS**
20 **REQUESTED;**

21 **(V) THE NUMBER OF APPLICANTS THE CORPORATION**
22 **INVESTED IN; AND**

23 **(VI) THE AMOUNT OF INVESTMENT FUNDING THE COMMISSION**
24 **AWARDED.**

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

27 **(I) SPECIFY WHICH APPLICATIONS AND INVESTMENTS WERE**
28 **FROM SOCIAL IMPACT FUNDS, SEED FUNDS, AND THE MARYLAND VENTURE FUND;**
29 **AND**

30 **(II) IF AVAILABLE, PROVIDE INFORMATION THAT HAS BEEN**
31 **DE-IDENTIFIED AND DISAGGREGATED ON APPLICANTS AND QUALIFIED BUSINESS**
32 **FOUNDERS BY RACE, ETHNICITY, AGE, GENDER, DISABILITY STATUS, VETERAN**

1 STATUS, AND GEOGRAPHIC LOCATION AND THE DEGREE TO WHICH APPLICANTS AND
2 FOUNDERS IDENTIFY WITH MORE THAN ONE DEMOGRAPHIC CATEGORY.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
4 1, 2024.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.