

HOUSE BILL 1455

C8

0lr3137
CF SB 826

By: **Delegate McIntosh**

Introduced and read first time: February 7, 2020

Assigned to: Ways and Means

A BILL ENTITLED

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

27 BY repealing and reenacting, without amendments,
28 Article – Economic Development
29 Section 9–101(a) and (e), 10–401(a) through (c); and 10–496(a) to be under the
30 amended part “Part XII. Miscellaneous”

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Annotated Code of Maryland
(2018 Replacement Volume and 2019 Supplement)

BY adding to

Article – Economic Development
Section 10–495.1 through 10–495.5 to be under the new part “Part XI. Makerspace
Initiative Pilot Program”
Annotated Code of Maryland
(2018 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement
Section 6–226(a)(2)(i)
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement
Section 6–226(a)(2)(ii)121. and 122.
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

BY adding to

Article – State Finance and Procurement
Section 6–226(a)(2)(ii)123.
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

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

Article – Economic Development

9–101.

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

(e) “Secretary” means the Secretary of Commerce.

10–401.

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

(b) “Board” means the Board of Directors of the Corporation.

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

PART XI. MAKERSPACE INITIATIVE PILOT PROGRAM.

10-495.1.

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

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

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

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

10-495.2.

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

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

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

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

10-495.3.

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

(B) THE CORPORATION SHALL AWARD FINANCIAL ASSISTANCE FROM THE FUNDS AVAILABLE UNDER THE MAKERSPACE INITIATIVE FUND ESTABLISHED UNDER § 10-495.5 OF THIS SUBTITLE.

10-495.4.

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

(B) THE CORPORATION MAY AWARD FINANCIAL ASSISTANCE TO:

(1) A LOCAL GOVERNMENT;

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

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

(C) IN EACH OF FISCAL YEARS 2022, 2023, AND 2024, THE CORPORATION MAY AWARD FINANCIAL ASSISTANCE AS FOLLOWS:

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

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

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

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

10-495.5.

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

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

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

(C) THE FUND CONSISTS OF:

(1) APPROPRIATIONS AS PROVIDED IN THE STATE BUDGET;

(2) REPAYMENTS OF LOANS MADE THROUGH THE PROGRAM;

(3) ANY INTEREST EARNINGS OF THE FUND; AND

(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE PROGRAM.

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

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

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

(2) REIMBURSEMENT, NOT EXCEEDING \$150,000 IN EACH FISCAL YEAR, FOR TECHNICAL ASSISTANCE PROVIDED BY THE OPEN WORKS CENTER FOR ADVANCED FABRICATION TECHNOLOGIES IN BALTIMORE CITY; AND

(3) ANY FINANCIAL ASSISTANCE THAT IS AWARDED TO ELIGIBLE RECIPIENTS IN ACCORDANCE WITH § 10-495.4 OF THIS PART.

(F) FOR FISCAL YEARS 2022, 2023, AND 2024, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL AN APPROPRIATION OF AT LEAST \$300,000 TO THE FUND.

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

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

(H) THE LEGISLATIVE AUDITOR SHALL AUDIT THE ACCOUNTS AND TRANSACTIONS OF THE FUND AS PROVIDED IN § 2-1220 OF THE STATE GOVERNMENT ARTICLE.

Part [XI] **XII.** Miscellaneous.

10-496.

(a) In any case under the insurance law of the State in which the assets of a

purchaser are examined or considered, the designated capital shall be treated as an admitted asset, subject to the same financial rating as that held by the State.

Article – State Finance and Procurement

6–226.

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

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

121. the Markell Hendricks Youth Crime Prevention and Diversion Parole Fund; [and]

122. the Federal Government Shutdown Employee Assistance Loan Fund; AND

123. THE MAKERSPACE INITIATIVE FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020. It shall remain effective for a period of 4 years and, at the end of September 30, 2024, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.