

Chapter 180

(Senate Bill 639)

AN ACT concerning

**Maryland Technology Development Corporation – Inclusion Fund –
Establishment**

FOR the purpose of establishing the Inclusion Fund in the Maryland Technology Development Corporation as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Corporation to administer the Fund; requiring the State Treasurer to hold the Fund, and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purpose for which the Fund may be used; providing for the investment of money in and expenditures from the Fund; requiring interest earnings of the Fund to be credited to the Fund; exempting the Fund from a certain provision of law requiring interest earnings on State money to accrue to the General Fund of the State; defining a certain term; and generally relating to the establishment of the Inclusion Fund within the Maryland Technology Development Corporation.

BY repealing and reenacting, without amendments,

Article – Economic Development

Section 10–401(a) and (c)

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

BY adding to

Article – Economic Development

Section 10–473 through 10–475 to be under the new part “Part VIII. Inclusion Fund”

Annotated Code of Maryland

(2018 Replacement Volume and 2020 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 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)122. and 123.

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

BY adding to

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)124.
Annotated Code of Maryland
(2015 Replacement Volume and 2020 Supplement)

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

Article – Economic Development

10–401.

- (a) In this subtitle the following words have the meanings indicated.
- (c) “Corporation” means the Maryland Technology Development Corporation.

10–471. RESERVED.

10–472. RESERVED.

PART VIII. INCLUSION FUND.

10–473.

**IN THIS PART, “FUND” MEANS THE INCLUSION FUND ESTABLISHED IN §
10–474 OF THIS SUBTITLE.**

10–474.

(A) THERE IS AN INCLUSION FUND IN THE CORPORATION.

**(B) THE PURPOSE OF THE FUND IS TO PROVIDE CAPITAL ~~AND NONEQUITY~~
~~INVESTMENTS TO~~ INVESTMENT IN TECHNOLOGY–BASED BUSINESSES THAT:**

**~~(1) ARE OWNED AND MANAGED BY INDIVIDUALS WHO ARE
ECONOMICALLY DISADVANTAGED;~~**

**~~(2) (1) ARE PART OF THE PRE-SEED BUILDER FUND BUT HAVE
FALLEN BELOW 51% ECONOMICALLY DISADVANTAGED OWNERSHIP WOULD
QUALIFY FOR INVESTMENT UNDER THE BUILDER FUND, AS PROVIDED IN
REGULATIONS ADOPTED BY THE CORPORATION;~~**

**~~(3) (2) HAVE ARE AT LEAST 30% BUT LESS THAN 51%
ECONOMICALLY DISADVANTAGED OWNERSHIP OWNED BY INDIVIDUALS WHO
DEMONSTRATE ECONOMIC DISADVANTAGE; AND~~**

~~(4)~~ (3) ARE ~~MINORITY-OWNED~~ CONTROLLED AND MANAGED FOR AT LEAST 1 YEAR AFTER THE TIME OF INVESTMENT BY AN INDIVIDUAL OR INDIVIDUALS WHO DEMONSTRATE ECONOMIC DISADVANTAGE.

(C) THE CORPORATION SHALL ADMINISTER THE FUND.

(D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 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.

(E) THE FUND CONSISTS OF:

(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

(2) INTEREST EARNINGS OF THE FUND; AND

(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(F) THE FUND MAY BE USED ONLY:

(1) FOR THE PURPOSES DESCRIBED IN SUBSECTION (B) OF THIS SECTION; AND

(2) TO PAY THE COSTS NECESSARY TO ADMINISTER 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.

10-475.

THE CORPORATION SHALL INCLUDE AS PART OF ITS ANNUAL REPORT TO THE GOVERNOR AND THE GENERAL ASSEMBLY UNDER § 10-415 OF THIS SUBTITLE A REPORT ON THE IMPLEMENTATION OF THE FUND.

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 following funds:

122. the Racing and Community Development Financing Fund;

[and]

123. the Racing and Community Development Facilities Fund;

AND

124. THE INCLUSION FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2021.

Approved by the Governor, May 18, 2021.