

(1) SMALL BUSINESSES ARE A MAJOR SOURCE OF NEW JOBS AND INNOVATIONS IN THE STATE;

(2) THE STATE'S RESEARCH CAPACITY COULD SPUR INNOVATION IN NEW AND EXISTING BUSINESSES TO CREATE AND MAINTAIN JOBS IN THE STATE; AND

(3) AN INADEQUATE SUPPLY OF SEED AND VENTURE CAPITAL HAS LIMITED THE COMMERCIALIZATION OF RESEARCH AND DEVELOPMENT ACTIVITY IN THE STATE.

(B) THE GENERAL ASSEMBLY INTENDS THAT THE MARYLAND VENTURE CAPITAL TRUST SHALL:

(1) HELP FILL THE CRITICAL GAP IN THE STATE'S ECONOMY CAUSED BY THE INADEQUATE SUPPLY OF SEED AND VENTURE CAPITAL FUNDS; AND

(2) STIMULATE THE COMMERCIALIZATION OF RESEARCH AND DEVELOPMENT TO CREATE AND SUSTAIN BUSINESSES THROUGHOUT THE STATE IN ALL REGIONS OF THE STATE.

5-1A-04.

(A) THE TRUST IS A BODY POLITIC AND CORPORATE AND IS CONSTITUTED AS A PUBLIC INSTRUMENTALITY OF THE STATE.

(B) A BOARD OF TRUSTEES SHALL MANAGE THE TRUST AND SHALL EXERCISE ALL OF ITS CORPORATE POWERS.

(C) (1) ~~THE GOVERNOR SHALL APPOINT 7 INDIVIDUALS, ALL OF WHOM MUST BE CITIZENS OF THE STATE, TO CONSTITUTE THE TRUST'S BOARD OF TRUSTEES WITH THE ADVICE AND CONSENT OF THE SENATE, TO CONSTITUTE THE TRUST'S BOARD OF TRUSTEES. THE BOARD OF TRUSTEES SHALL BE CITIZENS OF THE STATE. IN APPOINTING THE TRUSTEES, THE GOVERNOR SHALL GIVE DUE CONSIDERATION TO GEOGRAPHIC REPRESENTATION OF THE STATE.~~

(2) EACH TRUSTEE SHALL SERVE AT THE PLEASURE OF THE GOVERNOR WITHOUT COMPENSATION, EXCEPT THAT EACH TRUSTEE SHALL BE ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

(3) FOUR OF THE TRUSTEES SHALL REPRESENT THE PARTICIPATING INVESTORS AND EACH MUST HAVE BEEN RECOMMENDED TO THE GOVERNOR AS A TRUSTEE BY THE PARTICIPATING INVESTORS.

(4) AT LEAST 1 TRUSTEE MUST HAVE EXPERTISE IN VENTURE CAPITAL FINANCING.