

Public Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

**Chapter 125 of the Acts of 1996**

Section 1(3)

38.01.00

**DEPARTMENT OF BUSINESS AND  
ECONOMIC DEVELOPMENT**

(B) Technology Enterprise Center. Provide a grant to the Maryland Economic Development Corporation to assist in the purchase of property for use as the Technology Enterprise Center of the University of Maryland Baltimore County[, provided that all entrepreneurs occupying incubator space shall agree in writing to reimburse the University 1-1/2 times the costs associated with space use and rental or to increase the University's equity holding in the company by 1-1/2 times if at any time within five years of graduation the company voluntarily relocates more than 40 percent of the company's total employment outside the State of Maryland. Full reimbursement shall apply to companies that exceed the out-of-state limit within two years of graduation from the incubator, 75 percent if within three years, 60 percent if within four years, and 25 percent if within five years. Provided, however, that for each year that an incubator graduate adds at least ten full-time Maryland resident employees, it shall offset for one year of subsidy repayment or increase in equity held by the University. The State of Maryland is vitally interested in attracting and retaining new businesses through a number of innovative programs such as incubator subsidies. The intent is not to penalize, but to provide incentive to companies to remain in Maryland.], PROVIDED THAT ALL ENTREPRENEURS OCCUPYING INCUBATOR SPACE SHALL AGREE IN WRITING TO REIMBURSE THE INCUBATOR SPONSOR 1.5 TIMES THE COSTS ASSOCIATED WITH SPACE USE AND RENTAL OR TO INCREASE THE INCUBATOR SPONSOR'S EQUITY HOLDING IN THE COMPANY OR THE ROYALTY OBLIGATION BY 50 PERCENT IF AT ANY TIME WITHIN 5 YEARS OF GRADUATION THE COMPANY VOLUNTARILY RELOCATES MORE THAN 40 PERCENT OF THE COMPANY'S TOTAL EMPLOYMENT OUTSIDE THE STATE OF MARYLAND. FULL REIMBURSEMENT SHALL APPLY TO COMPANIES THAT EXCEED THE OUT-OF-STATE LIMIT WITHIN TWO YEARS OF GRADUATION FROM THE INCUBATOR, 75 PERCENT IF WITHIN THE THIRD YEAR, 60 PERCENT IF WITHIN THE FOURTH YEAR, AND 25 PERCENT IF WITHIN THE FIFTH YEAR. PROVIDED, HOWEVER, THAT FOR EVERY TEN FULL-TIME RESIDENT EMPLOYEES ADDED AND MAINTAINED IN MARYLAND, THE SUBSIDY REPAYMENT OR INCREASE IN EQUITY HELD BY THE INCUBATOR SPONSOR OR INCREASE IN ROYALTY OBLIGATION SHALL BE REDUCED BY 20 PERCENT.