



TO: The Honorable Anne R. Kaiser, Chair
Members, House Ways and Means Committee
The Honorable Lily Qi

FROM: Richard A. Tabuteau
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J. Steven Wise
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DATE: February 20, 2020

RE: **SUPPORT – House Bill 521 – Maryland Small Business Innovation Research Technical Assistance Program – Establishment**

The Maryland Tech Council (MTC) is a collaborative community, actively engaged in building stronger life science and technology companies by supporting the efforts of our individual members who are saving and improving lives through innovation. We support our member companies who are driving innovation through advocacy, education, workforce development, cost savings programs, and connecting entrepreneurial minds. The valuable resources we provide to our members help them reach their full potential making Maryland a global leader in the life sciences and technology industries. On behalf of MTC, we submit this letter of **support** for House Bill 521.

House Bill 521 establishes the Maryland Small Business Innovation Research Technical Assistance Program, administered by the Maryland Technology Development Corporation (TEDCO). The program provides technical assistance to eligible small businesses to encourage and facilitate the receipt of grants under the federal Small Business Innovation Research and Technology Transfer (SBIR/STTR) programs. TEDCO must procure a nonprofit organization located in the State to provide services under the program.

SBIR and STTR programs are designed to help small businesses gain federal support for their research and development efforts. In 2018, Maryland ranked fourth in both the number (247) and total value (\$132.9 million) in SBIR awards, after Virginia, Massachusetts, and California. Maryland ranked ninth in STTR awards received (29) and seventh in STTR funding (\$17.2 million). Currently, at least 15 states offer matching grant programs for SBIR and STTR awardees to help them reach the commercialization stage.

In its January 2020 report on Small Business Innovation Research and Technology Transfer, the Department of Commerce learned via stakeholder listening sessions that many small businesses cannot create winning SBIR or STTR applications because they have an insufficient understanding of the commercialization process. This lack of understanding translates into an inability to set clear goals for their research projects and an inability to demonstrate a clear path to the creation of a commercializable product. In addition to lacking understanding of commercialization, many small companies do not understand the differences between the various SBIR and STTR programs and how to best navigate those differences. In addition, companies do not understand how best to structure and phase their research programs to maximize their ability to receive funding from the SBIR or STTR programs. While the

University of Maryland, Johns Hopkins University, and TEDCO have all received funding to provide SBIR /STTR Technical Assistance, the funding has been intermittent and limited in scope and duration.

With over 450 life science and technology member companies developing innovative solutions that save, protect, and improve lives, MTC can attest that there is overwhelming demand for the establishment of a Maryland Small Business Innovation Research Technical Assistance Program. With passage of House Bill 521, Maryland will spur the continued growth of many of our member companies and bring them one step closer to commercialization. As such, MTC urges the House Ways and Means Committee to give House Bill 521 a favorable report.

For more information call:

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