

Chair and Members of the Committee:

My name is Ken Ulman, and I am testifying today in the capacity of Chief Strategy Officer for Economic Development, University of Maryland, College Park, Foundation. Thank you for the opportunity to testify in support of Bill 0778 amending the incentives related to companies locating in RISE Zones.

When the RISE Zone designation was created, I strongly supported it because the legislation created the framework to recognize that universities and colleges throughout the State of Maryland played a critical role in creating the jobs of the future. Through innovative faculty, staff and students, startup companies are created at Maryland's institutions which turn research into reality and ultimately create products and services with the ability to change lives and disrupt industry.

As a supporter of the RISE Zone legislation, the University of Maryland applied, and was subsequently approved for a designation, which consisted of our Discovery District research park and frontage along Baltimore Avenue in the core of College Park. The Discovery District covers multiple municipalities, and we worked to gain support of Prince George's County, the City of College Park and the Town of Riverdale Park and each provided a property tax incentive per the state authorization. Unfortunately, the property tax incentive structure was ill suited as an effective economic development tool for emerging technology-based companies. These companies rarely own real estate, and the incentive structure is too cumbersome for existing commercial property owners to apply for. To date, no company has taken advantage of the RISE Zone incentive.

While at the University of Maryland we continue to see university affiliated startups push through and achieve success, an enhanced RISE Zone would enable these engines of innovation and job creation to thrive. In fact, the Department of Commerce recently released the "Maryland Future 20", a list of companies in the state that have been identified as the most innovative startups with the potential to be the state's next big success story. The Maryland Future 20 list consists of:

- [ACTIVEcharge](#) (Baltimore County) – Provider of blade monitoring hardware and software for wind turbines.
- [Aidar Health](#) (Baltimore City) – Healthcare technology company focused on personalized medicine with MouthLab product that provides a rapid overall health assessment.
- [Airgility](#) (Prince George's County) – Developer of unmanned aerial systems to help support defense missions, public safety and commercial sectors.
- [Clene Nanomedicine](#) (Cecil County) – Clinical-stage biopharmaceutical company focused on treating neurodegenerative diseases.
- [HopFlyt Inc.](#) (Calvert County) – An aerospace company developing an electric Vertical Takeoff & Landing (eVTOL) aircraft.
- [Infercabulary](#) (Baltimore County) – Education technology start-up that offers a web-based, visual vocabulary and reasoning program that helps students use critical thinking.

- [InventWood](#) (Prince George's County) – Startup developing environmentally-sustainable cellulose products.
- [IonQ](#) (Prince George's County) – Quantum computing hardware and software company taking ion quantum computing from the lab to the marketplace.
- [Ion Storage Systems](#) (Prince George's County) – Technology company that creates batteries that are safer and enhance system performance.
- [Live Chair Health](#) (Howard County) – Company with a barbershop appointment booking platform that is also integrating healthcare assessments with barbershop visits.
- [Medcura](#) (Prince George's County) – Medical device company developing a wound care platform for surgical, medical, and consumer applications.
- [N5 Sensors, Inc.](#) (Montgomery County) – Electronics company manufacturing high-performance sensors and detectors.
- [pathOtrak](#) (Prince George's County) – Biotechnology company that is developing a rapid detection test for foodborne pathogens, including e.Coli and salmonella.
- [Penacity LLC](#) (Anne Arundel County) – Cybersecurity company providing services to the private sector and federal government.
- [Relavo](#) (Baltimore City) – Medical device company working on a solution for safer, in-home kidney dialysis.
- [Resensys](#) (Prince George's County) – Technology company with a wireless sensor network to help monitor infrastructure systems against aging and malfunction.
- [Silfra Biosystems LLC](#) (Baltimore County) – Start-up that manages fish waste in aquaculture.
- [Sisu Global Health](#) (Baltimore City) – Medical device company with an innovative blood-filtering product.
- [Theradaptive, Inc.](#) (Frederick County) – Pharmaceutical company focused on regenerative medicine and native tissue repair.
- [Vita Therapeutics](#) (Baltimore City) – Cell engineering company developing life-transformative treatments.

Of this list, 6 are currently located in our Discovery District or on campus, and many others emanated from UMD and other universities and colleges in Maryland. One of those companies, Medcura, is led by Larry Tiffany, who has joined us here today. We strongly believe that the proposed amendments to the RISE Zone will result in more businesses stemming out of Maryland's innovation ecosystems and creating more opportunities for Marylanders.

Creating a rent and tenant improvement build out structured incentive is a significant improvement to the program as these companies are in a vulnerable stage as they grow out of a university environment and move into their own space. UMD played an active role through university owned space and incentives to help each of the emerging companies in our Discovery District on the Future 20 list. Airgility and IonQ are located in UMD owned buildings, and the University took out a lease on a building it is a partner in in order to sublet to Medcura. InventWood, pathOtrak, and Resensys are located in the university owned Technology Advancement Building.

The bottom line is that the work of helping start-up companies emerge from university labs is difficult. In the early years while these companies are raising capital to make critical hires, process IP, and invest in technology development, finding funds for rent and the build out of needed space is particularly challenging. It is our belief that the proposed revisions to the RISE Zone have the ability to significantly alleviate some of the challenges associated with expanding out of university labs and offices. This support can ensure that these early stage companies in university ecosystems can create more jobs, enhance the tax base, and grow into success stories for our state.