

SENATE BILL 0778
Regional Institution Strategic Enterprise (RISE) Zone Program – Alterations
Urging a Favorable Report

Mr Chairman and members of the Senate Budget and Tax Subcommittee, the University of Maryland, Baltimore favors the proposed amendments to the RISE Zone legislation found in SB778.

This legislation fosters economic development in the State of Maryland and the proposed amendments offer an alternative benefit to potential early stage, high growth businesses that are affiliated with UMB research and innovation. SB 778 provides a means for us to continue to see the expansion of critical high growth, high wage jobs in Baltimore City by supporting with tax incentives and rent subsidies.

Since 2011, UMB has seen consistent growth in Technology Transfer licenses and startups with over 150 Disclosures, 30 licenses, and 7 – 10 startup companies each year. These companies not only commercialize technologies but also have long-term strategic alliances with our researchers, students and resources. In FY 2020, the University received more than \$688 million in research awards including over \$65 million in corporate-sponsored research with more than 300 bioscience and pharmaceutical firms. Some success stories include Harpoon Medical's acquisition by Edwards Life Sciences and Living Pharma's acquisition by Lentigen in 2017, and Breathe's acquisition by Abiomed in 2020, all of which have retained operations in Maryland. Clearly, supporting our technologies at the earliest stages has tremendous benefit to the Maryland economy.

The UM BioPark is UMB's 14-acre research park is a vibrant home to 30 companies and over 1,000 jobs. It has attracted \$450Million of capital investment to Baltimore City since launched in 2003. We have continued to see the growth of our tenants such as the acquisition of Paragon by Catalent for \$1.2 billion which has resulted in over 1,000 Catalent employees in 3 locations across Maryland. The Illumina Solutions Center opened their first East Coast facility at the BioPark in 2019 to leverage their relationship with UMB and provide outreach into the region.

We have consistently seen that similar national studies companies that are supported in their early years, tend to remain in the area and contribute to the economy of Baltimore City as well as fostering an ecosystem of innovation. As companies are grown and acquired, we also increase our base of experienced serial entrepreneurs and innovators to commercialize additional technologies. Providing the support specified in this bill for innovation companies in the early formation stages is critical to their long term success and a direct benefit to the University of Maryland, Baltimore, Baltimore City, and the State of Maryland

Respectfully Submitted

James L Hughes

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