Cory V. McCray Legislative District 45 Baltimore City

Budget and Taxation Committee

Capital Budget Subcommittee Health and Human Services Subcommittee



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# THE SENATE OF MARYLAND Annapolis, Maryland 21401

## **Testimony in Support Bill 453**

### **Economic Development - Maryland Makerspace Initiative Program**

Dear Chair Guzzone and the Budget and Taxation Committee,

I write to urge you to **<u>support</u>** Senate Bill 453. Located in my district, Open Works is a nonprofit makerspace that has beneficially impacted its surrounding community in a plethora of ways.

The team working on Open Works' development first approached me in 2015, when I was a Delegate for District 45, and we negotiated an MOU that guaranteed local hiring for the construction work. Open Works followed through on that promise, exceeding city requirements for subcontracting with minority-owned businesses and making 5 local hires.

Since 2016, I have watched Open Works grow into a jobs machine for District 45. 211 small businesses have used Open Works to create 118 jobs and \$9.9M in statewide annual economic output. But creating jobs also requires strong educational pathways, another area that Open Works has delivered, enrolling 4,194 adults and 411 K-12 youth in technical education programs since 2016.

Open Works really stood up in March 2020 when our district, our city, and our state needed them most. They recruited 388 volunteers across the state to help manufacture 28,270 units of PPE at a time when supply chains were overwhelmed. In 2021, they activated this capacity again in 2021, producing 863 flat-pack plywood desks that were distributed for free to Baltimore City students struggling with remote learning.

I truly believe the rest of Maryland would strongly benefit from having a robust network of makerspaces similar to Open Works. We have an amazing opportunity to be the first state in the nation to take on a forward-looking project like this, and it is a smart and timely investment in Maryland's future. I urge swift passage – and I am not the only one. Over 30 organizations and local governments have filed statements of support.

Here is a snapshot of Open Works' impact:

#### **Economic Impact**

- In 2019, state and local tax revenues generated by Open Works and associated businesses topped \$450,000.
- Five locations will produce \$45M in annual economic impact, \$2.25M in annual tax revenues, and 600 jobs through direct employment and startup creation.

#### **Educational Impact**

- In 2019, Open Works enrolled 1,339 adults and 171 youth in technical education classes.
- 5 locations could educate 6,700 adults and 850 youth annually.

#### **Emergency Resilience**

 Based on Open Works' experience with Makers Unite, we could organize a civil manufacturing reserve to provide supply chain resilience in case of natural disaster, terror attack, or pandemic.

#### Workforce Development

- In late 2021, Open Works was awarded \$223,000 from the City of Baltimore to run a twoyear apprenticeship program for industrial sewing machine operators.
- 5 locations will provide the scale to address the diverse workforce needs of manufacturers and tech companies across the state

If enacted, Senate Bill 453 would take effect October 1, 2022.

For the aforementioned reasons, I respectfully request a favorable report on Senate Bill 453.

Thank you for your consideration.

Respectfully,

Cory V. McCray State Senator