

(final) SB816 FIN hearing - Cyber MD Program- TEDC

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Position: FAV



TESTIMONY PRESENTED TO THE SENATE FINANCE COMMITTEE

SENATE BILL 816 - ECONOMIC DEVELOPMENT – CYBER MARYLAND FUND AND PROGRAM - ALTERATIONS

FEBRUARY 27, 2024 -- SUPPORT

The Maryland Technology Development Corporation (TEDCO) is dedicated to economic growth through fostering an inclusive entrepreneurial and innovation ecosystem. TEDCO identifies, invests in, and helps grow Maryland-based technology companies. In 2023, TEDCO celebrated its 25th anniversary. With the support provided by the State of Maryland, TEDCO’s six core programs generated **a total of \$2.7 billion in Maryland economic activity as of 2023, supporting a total of 12,000 jobs and generating estimated annual state and local government revenues of \$140 million.**

SB 816 – Economic Development – Cyber Maryland Program – Alterations provides important flexibility for the hiring of 'consultants and other professionals as necessary to implement, maintain, and administer the Cyber Maryland Program and the Fund.'

Legislation passed in 2023 established the Cyber Maryland Program to create a talent pipeline in cybersecurity, serve as a hub for State workforce development programs in cybersecurity, and generally coordinate cybersecurity and research and innovation in the State, among other things. The bill also creates the Cyber Maryland Fund to be administered by the program.

Senate Bill 816 also makes the language around administration of the Cyber Maryland more consistent with other programs in TEDCO's statute. As currently written, the Cyber Maryland Program is within TEDCO and must be staffed by an Executive Director and at least one administrator, with those specific positions employed directly by TEDCO. SB 816 streamlines the staffing language to provide additional flexibility while achieving the same goal.

This change may result in program administrative cost savings, as staffing needs may change over time, and/or qualified consultants may be used to help offset some of the staffing needs.

TEDCO appreciates the opportunity to provide testimony on this legislation and urges favorable consideration of SB 816.

Cyber Maryland Testimony.pdf

Uploaded by: Katie Fry Hester

Position: FWA

KATIE FRY HESTER
Legislative District 9
Howard and Montgomery Counties

Education, Energy, and
Environment Committee

Chair, Joint Committee on
Cybersecurity, Information Technology
and Biotechnology



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony in Support of SB 816 – Economic Development – Cyber Maryland Program – Alterations

February 27, 2024

Chair Beidle, Vice-Chair Klausmeier, and members of the Finance Committee:

Thank you for your consideration of SB816, which seeks to alter certain aspects of the Cyber Maryland Program and the Cyber Maryland Fund.

There is a critical shortage of cyber workers in the state. Last year, we passed SB801, which established the Cyber Maryland Program to develop a cybersecurity talent pipeline, serve as a hub for State workforce development programs in cybersecurity, and coordinate cybersecurity, research, and innovation in the state.

That legislation also established the Maryland Technology Development Corporation's (TEDCO) management of the Cyber Maryland Fund. SB816 serves as a technical clean up bill, put forward at the request of TEDCO, to change several administrative staffing requirements that have impacted management efficiency. Adjusting these staffing requirements, including several other minor changes within the bill, will increase staffing flexibility and administrative cost savings. Specifically, this bill:

- Transfers the management of the Cyber Maryland Fund from the Cyber Maryland Board to TEDCO.
- Changes the fund's use eligibility to cover administrative expenses, including staff, consultants, and other professional needs to implement, maintain, and administer the Cyber Maryland Program and Fund.
- Allows TEDCO to award grants through the fund.

These adjustments make the administration of the Cyber Maryland program more consistent with the other programs that TEDCO manages and streamline the statute language to achieve the same goal.

As the current structure of the program impacts the efficiency of its management, this simple change will save costs and increase staffing flexibility, thereby aiding our efforts to fill the 30,000 cyber job vacancies in the State.

Lastly, I have submitted an amendment to this bill to reappropriate \$250,000 for Talent Pipeline Management within the Cyber Maryland Fund, which was inadvertently cut from the budget and remains mission critical.

For these reasons, I respectfully request a favorable report on SB816.

Sincerely,

A handwritten signature in black ink that reads "Katie Fry Hester". The signature is written in a cursive, slightly slanted style.

Senator Katie Fry Hester
Howard and Montgomery Counties