



The LaunchPort™

101 West Dickman Street, Suite 900, Baltimore, MD 21230

Date: February 19, 2024

Subject: HB744/SB702

I am writing to offer my support for the current HB-744/SB-702 Bill that supports amendments to the Maryland Biotax Credit program – allowing pass through entities to process documentation and credit payments to investors within their funds.

I am writing in my capacity as Managing Partner of LaunchPort, LLC a well know Medtech Venture Center and an FDA registered medical device manufacturing center in Baltimore, Maryland, as well as in my role as the State of Maryland's Vice Chairman of the Life Sciences Advisory Board. I also serve on the Steering Panel for the EDA/GBC Baltimore Tech Hub initiative, and act as Portfolio Manager and Evaluation Director for the National Institute of Health's investment programs in diagnostics and neuro-technologies. I have had the pleasure of working with hundreds of innovators and companies that have grown from our State's ecosystems, and the many opportunities that these provide for our residents.

The State of Maryland is well known for its creative innovation and translational investment programs, and the BIITC is a critical element of those investment incentives that draw investors to support the innovations borne from our fellow citizens. We are grateful to the Legislature for their continued support for this valuable program.

The amendment before you deals with the issues of complexity for an individual investor to prepare and execute on the processes required to invest and collect the tax credit. Over the past 12-15 years, I have been a CEO of a company that has benefited from investors utilizing the tax credit, have invested individually via the program, and have been a limited partner in a Special Purpose Vehicle that allowed an entity to invest as a collective.

Without a doubt, the last option was the easiest to participate in, but as a Maryland resident, I had a high level of familiarity with the process. Investors that are from other tax jurisdictions have a more challenging journey and if the pass through entity can not process their credits, much of the streamlining benefit is lost, and the appetite for repeated investment in our State may be lost.

It's my understanding that the proposed amendment would not decrease transparency regarding the participants, nor would it reduce the benefits that the State intends to impart as incentives. On the contrary, it would likely smooth and encourage greater engagement by investors with our State's emerging growth companies.

I highly encourage you to support this bill, and continue to aid in building our State as one of the most prominent life sciences regions in the Country.

Regards,

Bob Storey
Managing Partner
LaunchPort, LLC