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Senate Bill 270 – Economic Development – Maryland Technology Infrastructure Program

**Senate Finance Committee
March 3, 2020**

**Testimony By:
Mathew Palmer, Deputy Legislative Officer**

PURPOSE OF BILL

This legislation would create the Maryland Technology Infrastructure Program, Authority and Fund. This authority would be tasked with advancing strategic public-private innovation-led collaborations in the life sciences and cyber-related industries.

COMMENTS

Governor Hogan sought the advice of innovation leaders with the charge to design a bold, new statewide economic development initiative to accelerate innovation-driven commercial activity, with a special focus on the state's life sciences and cyber-related industries. The study they commissioned found that Maryland's strong base of innovation-led, advanced industries is in part a result of the states investing in innovation-focused economic development programs, thereby helping to establish itself as a national leader. This has led to Maryland being ranked 3rd in life sciences, testing, and medical labs, 2nd in cybersecurity employment, 5th in per capita income, 10th in advanced industry employment, and 10th in drugs & pharmaceuticals. However, the study also found that while Maryland has a great base to build upon, there are areas where Maryland is lacking, such as the need for advance placemaking innovation hubs, attraction of private investment for innovation-related projects, and workforce development for these industry sectors. The study also found that there are many other states who are working diligently to compete with Maryland for our technology assets and business in cyber and life sciences.

The Maryland Technology Infrastructure Program looks to leverage Maryland's rich innovation ecosystem through the deployment of public-private collaborations. These collaborations will create the advanced technology infrastructure hubs needed to insure innovation-driven commercial activity can thrive and grow in Maryland. The goal is to grow this fund into a ten-year strategic innovation investment platform, investing \$500 million over that period, and leveraging \$2.5 to \$4 billion in public investment in these projects. These leveraging opportunities will generate between 40,000 and 55,000 new jobs in cyber-related and life sciences industries.



While there are not funds included in the Fiscal 2021 Budget, if this legislation moves forward the Governor is committed to funding the project through a supplemental budget if funds are available.

The Hogan Administration thanks the Committee for your time and hope that we can work together to pass this legislation, so that Maryland can continue to build upon our preeminence in the life sciences and cyber-related industries. It is extremely important that Maryland not become complacent in our efforts to advance our position in these two fields. Our competitor states are making significant investments such as this and looking for any opportunity to gain market share, and if we are not able to continue to compete, we will surely lose ground to these other states.