



TESTIMONY PRESENTED TO THE SENATE BUDGET & TAXATION COMMITTEE

**SENATE BILL 160 - ECONOMIC DEVELOPMENT – CYBERSECURITY INVESTMENT
INCENTIVE TAX CREDIT PROGRAM – EXPANSION AND EXTENSION**

Sponsor – Department of Commerce

January 27, 2021

**DONALD C. FRY
PRESIDENT & CEO
GREATER BALTIMORE COMMITTEE**

Position: Support

The Greater Baltimore Committee (GBC) supports Senate Bill 160, which extends the duration of the Cybersecurity Investment Incentive Tax Credit (CIITC) Program by two years, through June 30, 2025, and expands the applicability of the program to technology companies, rather than solely cybersecurity companies. The bill also establishes a maximum percentage of the program Reserve Fund that a single Maryland technology sector may receive in a fiscal year.

While cybersecurity remains a critical industry and growing area of innovation within Maryland, it is not the only technology sector with opportunities for innovation and growth in early stage companies. The changes to this program will allow the state to remain competitive - as new technologies and industry sectors emerge Maryland will not need to pass new legislation to incentivize growth in those areas. Rather than amending the law, the Department of Commerce can work with the Department of Labor and the Maryland Economic Development Commission (MEDSC) to recommend that those sectors be eligible for the program.

In the Greater Baltimore Committee report *Gaining the Competitive Edge: Keys to Economic Growth and Job Creation in Maryland*, eight core pillars were identified for a competitive business environment. Senate Bill 160 is consistent with one of these pillars:

Strategic and effective state investments in business growth. The state must commit to substantive strategic investments, leveraged with capital assets, to nurture business and job growth. Investments should include competitive and effective tax credits, business development incentives, and tactical initiatives to nurture private investment in industry growth.

Finally, Senate Bill 160 is consistent with the Greater Baltimore Committee’s [2021 Legislative Priorities](#) which call for maintaining state investment in Maryland’s most innovative industries. The bill allows the Department of Commerce to continually adapt the program to assist those innovative industries.

For these reasons, the Greater Baltimore Committee urges a favorable report on Senate Bill 160.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 66-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.

GREATER BALTIMORE COMMITTEE

111 South Calvert Street • Suite 1700 • Baltimore, Maryland • 21202-6180

(410) 727-2820 • www.gbc.org