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Judicial Proceedings Committee

Vice Chair, Baltimore County Senate Delegation



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THE SENATE OF MARYLAND Annapolis, Maryland 21401

February 16, 2021

Senate Finance Committee The Honorable Delores G. Kelley 3 East Miller Senate Building Annapolis, Maryland 21401-1991

RE: SB 444 – Transforming Manufacturing in a Digital Economy Workgroup (Making It in Maryland)

Dear Chairman Kelley and Members of the Committee:

The world now stands on the cusp of a technological revolution. The manufacturing sector is going to move on from the early 20th Century model of long production lines and heavy machinery and also from the late 20th Century model of vinyl and silicone. The 21st Century is going to be the century of artificial intelligence, robotics, 3-D printing, cyber-physical systems, cloud computing, real-time data and as-yet uninvented digital technologies that will undoubtedly transform economic growth and human potential.

Maryland needs to be at the cutting edge of what is being called Industry 4.0. Our state needs to be prepared to lead the nation and even the world in a marriage of production and operations with smart digital technology, leading to a boost in productivity and growth.

This bill calls for the formation of a workgroup to study Maryland's emerging digital economy. Last year, you may recall that I presented a similar bill which was quite aspirational and precipitated a very high fiscal note. This year's bill is more modest but nonetheless very important if we want Maryland to be a leader in the newly developing digital economy rather than an also ran.

The workgroup will be charged with examining the significant report of the Massachusetts Institute of Technology entitled "The Work of the Future: Shaping Technology and Institutions", examining existing financial resources available to manufacturers seeking to invest in Industry 4.0 technology, making recommendations to facilitate the State's robust entry into this developing industry sector, examining new and viable tax credits and programs for Maryland manufacturers to be more competitive and marketable in the new digital economy, and examining potential statutory and regulatory reforms. The workgroup will be charged with reporting its findings and recommendations this coming December.

My witnesses will elaborate upon the need for and the nature of proposed study.

I hope the Committee will issue a favorable report on this bill.