

MELONY G. GRIFFITH
Legislative District 25
Prince George's County

PRESIDENT PRO TEMPORE

Budget and Taxation Committee



James Senate Office Building
11 Bladen Street, Room 220
Annapolis, Maryland 21401
301-858-3127 · 410-841-3127
800-492-7122 Ext. 3127
Melony.Griffith@senate.state.md.us

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony of Senator Melony G. Griffith in Support of Senate Bill 885
Maryland Technology Development Corporation – Maryland Equity Investment Fund -
Established
Senate Budget and Taxation Committee
Thursday, March 10, 2022

Chair Guzzone, Vice Chair Rosapepe, and members of the Senate Budget and Taxation Committee:

I am pleased to present Senate Bill 885. This bill establishes the Maryland Technology Development Corporation – Maryland Equity Investment Fund, and clarifies existing law by allowing the Maryland Technology Development Corporation (TEDCO) to invest surplus funds allocated through the State Retirement and Pension Systems (SRPS) in alignment with TEDCO's mission to, "Enhance economic empowerment by fostering an inclusive and entrepreneurial innovation ecosystem. Identify, invest in, and help grow technology companies in Maryland."

In 2016, the Maryland General Assembly passed SB 982 – State Retirement and Pension System – Private Equity and Venture Capital Investments. This bill authorized the Board of Trustees of the State Retirement and Pension Systems (SRPS) to enter into an agreement with TEDCO or another entity to make and manage investments on behalf of the board in private equity and venture capital in the State. Furthermore, the legislature codified the pension system investment capital program, designated TEDCO as a partner, and leveraged the pension fund by working to increase private investors in the public sector.

While identifying creative ways to expand Maryland's investment opportunities is at the forefront, it is acknowledged that although the venture capital market produces great returns. TEDCO expresses that current law is not consistent with their current practices. Therefore, the bill will implement a fund that will enhance the ability of TEDCO to further their mission, vision, and values in addition to expanding upon the development of Maryland's innovation hub.

Senate Bill 885 will:

- **Establish** a special, non-lapsing revolving fund that is not subject to reversion under section 7-311 of the State Finance and Procurement Article.
- **Ensure** the Fund is managed and supervised by the Maryland Technology Development Corporation, which will allow unappropriated general fund surplus

MELONY G. GRIFFITH
Legislative District 25
Prince George's County

PRESIDENT PRO TEMPORE

Budget and Taxation Committee



James Senate Office Building
11 Bladen Street, Room 220
Annapolis, Maryland 21401
301-858-3127 · 410-841-3127
800-492-7122 Ext. 3127
Melony.Griffith@senate.state.md.us

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

to be invested in the state with a goal to increase private equity and venture capital.

- **Permit** the State Treasurer to invest money in the fund in the same manner as other state money.
- **Allow** the Corporation to retain 50% of investment returns realized from the investments made.

Thank you for the opportunity to present Senate Bill 885, I respectfully request a favorable report.