

MELONY G. GRIFFITH
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Prince George's County

PRESIDENT PRO TEMPORE

Budget and Taxation Committee



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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
House Ways and Means Committee
Wednesday, March 30, 2022

Madam Chair Atterbeary, Vice Chair Washington, and members of the House Ways and Means Committee:

I am pleased to present Senate Bill 885. This bill as amended unanimously passed in the Senate. It will establish 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."

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 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.

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