



Wes Moore | Governor
Aruna Miller | Lt. Governor
Kevin A. Anderson | Secretary of Commerce
Signe Pringle | Deputy Secretary of Commerce

DATE: March 1, 2023
BILL NO: Senate Bill 549
BILL TITLE: Economic Development - Build Our Future Grant Pilot Program and Fund (Innovation Economy Infrastructure Act of 2023)
COMMITTEE: Senate Budget and Taxation
POSITION: Support

The Maryland Department of Commerce (Commerce) supports Senate Bill 549- Economic Development - Build Our Future Grant Pilot Program and Fund (Innovation Economy Infrastructure Act of 2023).

Background:

Senate Bill 549 establishes the Build Our Future Grant Pilot Program and Fund in the Department of Commerce. Through the program Commerce would provide grants for infrastructure projects to support innovation in eligible industry sectors such as advanced manufacturing, cybersecurity, life sciences, and quantum. Projects could include Sensitive Compartmented Information Facilities (SCIFs), wet laboratories, cyber ranges, prototype manufacturing centers, and other specialized workforce training, skill certification, or research-related spaces. Grants would be awarded to assist with the costs incurred to acquire, construct, rehabilitate, install, improve, or equip an eligible project, and the grantees must provide matching funds of at least 200% or 400% of the grant funds. Governor Moore’s proposed FY 2024 budget allowance includes \$10M in Commerce’s operating budget to implement the pilot program.

Rationale:

Maryland has long been a leader in the innovation economy. In order to stay competitive, Maryland must continue to invest in innovation in both current and emerging technology sectors. Senate Bill 549 does this by filling a gap in the capabilities of the State’s existing economic development incentive programs. Maryland does not have many economic development grant programs, and those that do exist are smaller or targeted towards large capital projects tied to significant and immediate job creation. The Build our Future Grant program will allow the State to help private companies, local governments, and institutions of higher education fill funding gaps to complete these infrastructure projects that drive long-term innovation which will ultimately result in economic growth for the State.

One goal of this program is to bring more investment to the State and help innovative businesses start up, grow, and adapt here in Maryland. The Build our Future Grant program will do this by supporting the development of critical infrastructure and facilities for research and development, technology commercialization and product development. These grants will help the State leverage and invest in our existing assets to pave the way for Maryland to be a new home to opportunity and economic growth.

Commerce respectfully requests a favorable report on Senate Bill 549.