

Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 549 – Economic Development – Build Our Future Grant Pilot Program and Fund
(Innovations Economy Infrastructure Act of 2023)
Budget and Taxation Committee
March 1, 2023

The Rural Maryland Council supports Senate Bill 549 - Economic Development – Build Our Future Grant Pilot Program and Fund (Innovations Economy Infrastructure Act of 2023). This bill establishes the Build Our Future Grant (BOFG) Pilot Program and Fund (BOFGF) in the Department of Commerce to provide grant funding for infrastructure projects intended to support innovation in eligible technology sectors. Under the program, grants of up to \$2.0 million may be awarded to private companies, nonprofits, local governments, or colleges and universities in the State and may be used to defray specified costs associated with an eligible innovation infrastructure project. A grant recipient must provide matching funds of either 200% or 400%, depending on the size of the grant. Additional requirements are placed on grants to and used by colleges and universities. A single entity is limited to \$2.0 million in grants in a fiscal year. Commerce administers BOFGF, which may be used to provide grants and for administrative costs (up to 10%).

The Rural Maryland Council (RMC) is in support of the BOFG Pilot Program and Fund as it has the potential to have meaningful economic impact across the State. The State has made strides in supporting the diversification of agriculture and rural economies. The proposed state program could support programs such as F3 Tech, which focuses on providing entrepreneurial support to those businesses looking to operate in the agriculture technology field. The F³ Tech Accelerator Program provides funding and support for early-stage companies to prepare them for potential investment from the F3 Tech Seed Fund, industry partners, and investors. Their industry-specific advisors assist with expediting commercialization, accelerating manufacturing, customer acquisition and revenue development, attracting top innovators that match industry partner commercial needs, investing in innovations with grants, private funding and executive support and evaluating technologies for diversification in other sectors.

Examples of potential areas of rural interest include data analysis, data centers and biotechnology. In the years ahead, data will supplement what farmers know intuitively—and in some cases challenge those assumptions. New products rely on aerial satellite imagery, greenness sensors, soil maps and millions of weather data points. As internet commerce evolves, the needs of Big Data will too. Biotechnology is well established in our state. From fertilizer to pesticides and potential new markets, farmers are mindful of inputs and outputs and look to maximize each. From previous pitch competitions held at the RMC Rural Summit, entrepreneurs are looking for support to provide technological solutions to our agricultural and environmental challenges.

The Council believes the BOFG Pilot Program and Fund could impact businesses across the State. Rural Maryland Council respectfully requests your favorable support of Senate Bill 549.