

SB699_MACC_Phillips.pdf

Uploaded by: Brad Phillips

Position: FAV

Senate Finance Committee

Testimony by Dr. Brad Phillips, Executive Director

March 7, 2023

SB 699 – Maryland Technology Development Corporation – Equitech Growth Fund and Commission

POSITION: Support

On behalf of the Maryland Association of Community Colleges (MACC), representing Maryland's 16 community colleges, we offer our support for this legislation and thank Senator Augustine and co-sponsors for introducing this important bill. The development of a growth fund that supports economic competitiveness through inclusion and establishing the Equitech Growth Commission to develop the long-term goals on how to achieve a more diverse and innovative economy will help those in our State who have traditionally struggled to be included in our State's economic success.

Maryland is one of the few states that benefits from a wealth of federal research and development and is home to R1 and R2, public and private, research universities. The advantages this holds for Maryland's economy is one of our State's biggest assets yet from a strategic standpoint, our policy goals do not build on the full potential of how this could benefit Maryland.

Too often, when research and development, whether it be in biotechnology or in any innovative field, is ready to explore a commercial phase, there is little to no workforce prepared to fit the skills necessary for it to become successful. This allows for valuable research to look outside of Maryland for talent, resulting in an economic loss at home and a win for neighboring states.

The irony of losing this knowledge to a competitor state at the very moment it becomes ready to begin producing economic returns is something this Commission needs to think strategically about going forward and develop a long-term approach for growing Maryland's innovative economy.

Maryland's community colleges are key to developing that strategy as the workforce needs do not always require four-year degrees. In many instances, another workforce credential is all that is necessary and Maryland's community colleges are set up to provide educational opportunities to the very population of Marylanders who often do not benefit from economic growth and are excluded. Our students are diverse and eager to participate and work to accomplish a stronger Maryland. This bill will align our States strengths and include new opportunities for our students.

MACC requests a favorable report on Senate Bill 669.

Testimony-SB 699_MD.pdf

Uploaded by: Bret Schreiber

Position: FAV

Fulton Bank

Witness Testimony: Senate Bill 699 - Maryland Technology Development Corporation - Equitech Growth Fund and Commission

Committee: Senate Finance Committee

Date: March 7, 2023

Position: Support

Fulton Bank, N.A., (Fulton Bank) **SUPPORTS Senate Bill 699**, which will leverage Maryland's diversity, workforce, long-term planning, and strategic investments to ensure Maryland maintains and grows its competitiveness as other states and regions make similar investments in their economies.

Fulton Bank is a growing driver and supporter of Maryland's innovation ecosystem. In 2022 alone, our Life Science and Technology Divisions supported over 40 companies, injecting more than \$17 Million in capital into the innovation community at an average of \$500,000 per opportunity. Nearly 95 percent of those companies are start-ups, pre-revenue and pre-profit.

Maryland is doing great things to invest in early-stage companies. TEDCO is a wonderful resource for the State, but Maryland needs to ensure that the early-stage companies in which it has made an investment remain in the State as they scale and continue to benefit our citizens. The Equitech Growth Fund will create the resources that will keep these companies here.

From the private sector, we are doing what we can to spur economic growth. We need the State, through this initiative, to help jump-start the innovation community through the injection of additional capital that will help entities like us provide critical follow-on funding for our innovators and entrepreneurs in Baltimore City and Maryland.

Senate Bill 699 is a great start in leveraging the existing support of the private sector and companies like Fulton Bank and if it is aimed at supporting minority investors, it will be even more meaningful.

On behalf of Fulton Bank, we would respectfully request a **favorable report** for Senate Bill 699.

1.800.FULTON.4 (1.800.385.8664)
[fultonbank.com](https://www.fultonbank.com)

SB0699 -- Maryland Technology Development Corporat

Uploaded by: Brian Levine

Position: FAV



**Senate Bill 699 -- *Maryland Technology Development Corporation - Equitech Growth Fund and Commission*
Senate Finance Committee
March 7, 2023
Support**

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, supports Senate Bill 699 -- *Maryland Technology Development Corporation - Equitech Growth Fund and Commission*.

Senate Bill 699 establishes the Equitech Growth Fund in the Maryland Technology Development Corporation. The bill also creates the Equitech Growth Commission to create a strategic plan and long-term goals for growing the State's innovation economy. The purpose of the Equitech Growth Fund is to support the economic competitiveness and inclusive growth of emerging and advanced industries through the creation of supporting infrastructure assets, resources, and diverse workforce.

MCCC supports employing State resources with the aim of creating diversity-focused jobs and economic activity in emerging and advanced industries. These industries offer tremendous economic opportunities to create inclusive and sustained growth and job creation. What MCCC finds, especially in the Metro Maryland region that borders Virginia, is a lack of competitive financial resources aimed directly at economic opportunities and job growth, including those for advanced industries. Senate Bill 699 and the creation of the Equitech Growth Fund will grow Maryland's economic competitiveness and pay dividends in the future by investing valuable resources into growing and sustaining a 21st century economy.

For these reasons, the Montgomery County Chamber of Commerce supports Senate Bill 699 and respectfully requests a favorable report.

The Montgomery County Chamber of Commerce, on behalf of our nearly 500 members, advocates for growth in business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and a proud Montgomery County Green Certified Business.

*Brian Levine | Vice President of Government Affairs
Montgomery County Chamber of Commerce
51 Monroe Street | Suite 1800
Rockville, Maryland 20850
301-738-0015 | www.mcccmd.com*

SB699 - Christy Wyskiel - Support.pdf

Uploaded by: Christy Wyskiel

Position: FAV

SB699

Favorable

TO: The Honorable Melony Griffith, Chair
Finance Committee

FROM: Christy Wyskiel

DATE: March 7, 2023

RE: SB699 – Maryland Technology Development Corporation - Equitech Growth Fund and Commission

Johns Hopkins University and Medicine urges a favorable report on **SB781 – Maryland Technology Development Corporation - Equitech Growth Fund and Commission**.

This bill will create a the Equitech Growth Commission, the purpose of which is to support the economic competitiveness and inclusive growth of emerging and advanced industries in Maryland. It proposes to do this by providing funding for supporting infrastructure assets, workforce development, and other resources.

The fund will be administered by the Maryland Technology Development Corporation. It shall issue awards that target workforce development and infrastructure to attract and retain businesses in the state. The total proposed appropriation is \$500 million over Fiscal Years 2024 through 2033.

With the creation of Johns Hopkins Technology Ventures in 2014, Johns Hopkins has prioritized the commercialization of relevant scientific discoveries into accessible products and services, with the intent to benefit society broadly and spur local economic activity. Our track record shows that smart, targeted investments in innovation can yield real economic results. JHU invested \$70 million to build robust innovation infrastructure from 2014-2019, focused on the resources that early-stage technology start-ups need; this investment has resulted in the flow of over \$2B in venture capital into Maryland-based startups and the creation of approximately 1,500 Maryland jobs since 2014. Approximately 70% of activity is in the life sciences; 30% of activity is in other technology sectors.

Given the density of raw assets originating from our community – especially from our renowned research institutions – there is no reason Maryland cannot lead as an innovation hub. Maryland is currently ranked 6th in the nation for research expenditures and 8th in the rate of commercialization. But, without continued attention and investment, we will miss significant growth opportunity to take our raw assets (technologies and talent) and create economic opportunity. We also risk loss of talent, and therefore technology, if Maryland does not demonstrate its commitment to leading in tech and innovation.

A bold and sustained strategy, backed by investment, is needed to ensure Maryland’s economic competitiveness. The vision presented in HB 781 is appropriately bold. It will give TEDCO the tools to

Government and Community Affairs

support interventions that have been successful in other states. This includes creating infrastructure like wet lab space to address the ~1% vacancy rate in the state, which is currently a growth-limiting constraint to life sciences startups. The bill also includes supporting workforce development efforts to train our State's residents for the jobs of the future.

Crucially, this legislation emphasizes equity, including by defining the program's success to include diversity, equity, and inclusion metrics. As Maryland improves its economic competitiveness, it can and should continue to diversify the innovation economy.

For the State to develop as a true innovation ecosystem, the support that companies need to sustain and grow must be available here. Therefore, we urge a favorable report on **Senate Bill 699** to give those companies the tools they need to do so.

Christy Wyskiel

Senior Advisor to the President, Johns Hopkins University for Innovation & Entrepreneurship
Executive Director, Johns Hopkins Technology Ventures

Heading for Senate testimony.pdf

Uploaded by: David White

Position: FAV



Heading for House testimony

House Ways and Means Committee

March 7, 2023

Senate Bill 688 – Maryland Technology Development Corporation - Maryland Equitech Growth Fund and Commission

Position: Support

Tomorrow's Bio Today is an R&D biotech company located in Somerset County that focuses on using innovative technologies such as ingestible camera tablets for livestock endoscopies/colonoscopies to reduce the cost on farmers and to allow American farmers to have a better idea of their livestock's health conditions.

Tomorrow's Bio Today supports Senate Bill 688 as this bill provides more Marylanders with the resource to create technology innovation and also to provide resources in lower income and rural parts of Maryland where the youth can be better trained for the jobs of tomorrow.

Maryland is a very diverse state. The Equitech Growth Fund will enable Maryland to access the untapped talent in its underserved communities through more inclusiveness and equity. I believe this will foster an environment of greater tolerance and respect across the State. Such an environment will not only attract Maryland's greatest assets, its innovators, but also attract the attention of outside companies who feel they are not fairly represented in their current region.

Maryland's research institutions are world-renowned, but the fruits of this research in the form of new products being developed – often by start-up companies – can easily move to other states

if Maryland does not have the infrastructure and workforce to support their growth and development.

As a business owner in a rural part of Maryland, I will need skilled talent in my region to scale my business. SB 688 will help to generate the workforce entrepreneurs like me will need in the future.

For these reasons, I support SB 688 and urge passage of this important legislation

SB 699 Douglas M. Firstenberg Testimony final.pdf

Uploaded by: Douglas Firstenberg

Position: FAV

STONEBRIDGE

March 6th, 2023

Senate Finance Committee
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

Subject: **SB 699 – Maryland Technology Development Corporation – MD Equitech Growth Fund and Commission**

Dear Chairwoman Griffith and members of the Senate Finance Committee:

For the record, I am strongly supporting the passage of Senate Bill 699 – TEDCO – MD Equitech Growth Fund and Commission.

Helping TEDCO achieve its mission being TEDCO is dedicated to economic growth through the fostering of an inclusive entrepreneurial and innovation ecosystem. TEDCO discovers, invests in, and helps build great Maryland-based, technology companies.

TEDCO needs more “tools in its toolkit” to achieve its mission and help Maryland grow. Therefore, Senate Bill 699 is an outstanding tool that we need to be sure TEDCO can use. The legislation creates the Equitech Growth Fund and Commission in TEDCO for the purpose of increasing Maryland’s competitiveness as an innovation economy and ensuring that it is accessible to all communities across the State.

Maryland needs a state-wide strategy for our innovation economy. This should include:

- Investment
- Coordination
- Inclusion

While Maryland has significant strengths – higher education, health care, life sciences, federal agencies and more – it needs to supercharge its efforts to be more competitive, and in certain areas become dominant, in comparison to other states and regions. Our lagging job growth is one example of how we are leaving many in the State behind.

My support for Senate Bill 699 is very broad based but a few key items I wish to highlight:

- We need to fuel our growth to be competitive with other regions, like Northern Virginia. The creation of a strategic planning Commission and investment fund in Maryland is a great step in the right direction.
- Our firm is steeped in the life sciences in Maryland as a developer of purpose built laboratory space. We know the life sciences industry is in need for more lab space and in particular, more

wet lab space to support early-stage, life science companies. To help grow early-stage life science companies spinning out of USM, JHU, and other research institutions in the State there is an urgent need to support these start-ups before institutional investor will step in. This early investment must be coupled with a strategy to keep this companies in Maryland by creating the infrastructure and workforce to support their development. Other states have, and continue to, make significant investments in their innovation economy. Maryland must do the same to be competitive.

- There are many citizens of Maryland that are unable to access the growing innovation economy. The Equitech Growth Fund can help to create more pathways for minorities, women and young people in all communities across the state to engage in the innovation economy and better leverage Maryland's wonderful diversity.
- Maryland is a very diverse state. The Equitech Growth Fund will enable Maryland to access the untapped talent in its underserved communities through more inclusiveness and equity.
- The record for venture investments in women and minorities is abysmal. The Equitech Growth Fund can create the infrastructure needed to change this dynamic.

Maryland is doing great things to invest in early-stage companies. TEDCO is a wonderful resource for the State, but Maryland needs to ensure that the early-stage companies in which it has made an investment remain in the State as they scale and continue to benefit our citizens. The Equitech Growth Fund will create the resources to address many if the opportunities and challenges in Maryland's innovation economy.

For these reasons, I strongly support and urge the passage of SB 699. Please feel free to contact me if you have any questions.

Thank you for all you do for Maryland.

Very truly yours,



Douglas M. Firstenberg
Principal

SB0699 - SUP - GR23.pdf

Uploaded by: Drew Jabin

Position: FAV



SB 699 – Maryland Technology Development Corporation - Equitech Growth Fund and Commission

Committee: Senate Finance Committee

Date: March 7, 2023

Position: Support

The Maryland Bankers Association (MBA) **SUPPORTS** SB 699, which establishes the Equitech Growth Fund and Equitech Growth Commission to create a strategic plan and long-term goals for growing Maryland’s innovation economy. MBA members are partners in their local economies and are directly interested in the economic growth, health, and vitality of communities across the State. Consumer needs and preferences drive the direction of the banking industry and banks are committed to meeting customers’ demands for convenience.

The Commission that is created by this bill will develop a strategic plan that will be used to shape investment policy and programming supported by the related Fund to increase Maryland’s competitiveness across the United States.

Significant technological innovations in the banking sector have been made in recent years –and MBA supports positive policy initiatives that aim to increase equitable, sustainable economic development opportunities in all communities. This bill takes a laudable step in the right direction towards a more competitive Maryland and accordingly, MBA urges a **FAVORABLE** report on SB 699.

The Maryland Bankers Association (MBA) represents FDIC-insured community, regional, and national banks, employing more than 30,000 Marylanders and holding more than \$181 billion in deposits in over 1,000 branches across our State. The Maryland banking industry serves about 4 million customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking, and more.

Venture For America's Support of Senate Bill 699.p

Uploaded by: Eric Somerville

Position: FAV



Senate Finance Committee

March 6, 2023

Senate Bill 699 – Maryland Technology Development Corporation – Maryland Equitech Growth Fund And Commission

Position: Support

Venture For America supports the growth of diverse ecosystems across American cities, including Baltimore, by developing entrepreneurial talent and providing access through programs, networks and resources. We offer a two-year Fellowship for diverse, high-caliber individuals, and since 2013 more than 160 of our Fellows have joined the innovation economy in Maryland.

Venture For America unequivocally supports Senate Bill 699. The legislation creates the Equitech Growth Fund and Commission in TEDCO for the purpose of increasing Maryland's competitiveness as an innovation economy and ensuring that it's accessible to all communities across the state.

States across the U.S. have been building strategies to bolster the innovation economy in their respective regions, and these strategies are having a positive impact on overall business dynamics and job growth they're benefitting from. For the sake of Marylanders and the opportunities the state could afford them – for overall new net job creation, and the need to remain competitive – it is important that our state commits to being a national leader in the innovation economy as well. Maryland has key assets (diverse demographic, academic institutions, healthcare systems, corporations and businesses, and federal agencies) that, contingent upon coordination, can produce strategies for Maryland to move into top ranks of the most innovative states in the country.

The commission and fund would be another great step in the right direction.

Maryland has a commitment to early-stage investment in companies, which is impressive. The Equitech Growth Fund, however, would be the catalyst for even more investments to remain in the state, for local companies to scale, and even more resources to be created and made accessible for a greater collection of citizens. In addition, the onramp to entrepreneurship and access to venture investment leaves so many overlooked and left out. The fund will also support the pathway for the diverse and talented to join the innovation economy. It's important that those who are under-resourced, underserved, under funded, and overlooked, yet capable are able to thrive and be leaders, fostering a greater sense of equity and access we should aspire to cultivate in our state.

For these reasons, Venture For America supports SB 699 and urges passage of this important legislation.

SB 699 testimony - Graham Dodge.pdf

Uploaded by: Graham Dodge

Position: FAV



Senate Finance Committee
March 7, 2023

Senate Bill 699 – Maryland Technology Development Corporation – Maryland Equitech
Growth Fund and Commission
Position: Support

Rural entrepreneurs are a flight risk to our state's economy, which is why I support Senate Bill 699 - Maryland Equitech Growth Fund And Commission. My name is Graham Dodge and I'm the Executive Director of the Mid-Atlantic Gigabit Innovation Collaboratory (MAGIC), a 501(c)3 nonprofit based in Westminster, Carroll County.

Senate bill 699 will provide much needed support throughout Maryland with equitable financing and resources for both minority and rural entrepreneurs. Rural communities like where I live in Westminster are more likely to be transient with higher paid workers commuting out, while lower paid workers commute in, creating bedroom communities for wealthier citizens while our main streets remain depressed with less opportunities for those working within them. MAGIC is addressing this issue by building a rural tech ecosystem from the ground up in Carroll County. We have created programs that teach everything from cybersecurity to game development to our rural students and connect them with job opportunities, but there is a gap in resources to grow these students into entrepreneurs, or to support existing entrepreneurs who may regularly be commuting elsewhere.

For example, MAGIC is developing the Autonomous Robotics Innovation Center where local industry partners will work with students to drive innovation in connected autonomous robotics, but the next step would be to show these students how to turn their ideas into businesses. The funding from this bill can help support programs like these to ensure that we keep these future technology leaders in our rural communities so they have the opportunity to raise venture capital from within their own startup ecosystems rather than leave for others.

For these reasons, I support SB 699 and urge passage of this important legislation.

Thank you,

Graham Dodge
Executive Director
MAGIC

SB 0699 Testimony_final.pdf

Uploaded by: J. Thomas Sadowski

Position: FAV

March 6, 2023

The Honorable Melony Griffith
Chair, Senate Finance Committee
Members, Senate Finance Committee
3 East - Miller Senate Office Building
Annapolis, Maryland 21401

RE: Testimony on behalf of SB0699 – Requesting Favorable Report

Dear Madam Chair, Vice Chair and members of the Maryland Senate Finance Committee:

On behalf of the Maryland Economic Development Corporation (MEDCO), I am writing to express our support for SB0699 entitled “Maryland Technology Development Corporation (TEDCO) - Maryland Equitech Growth Fund and Commission.”

Maryland boasts significant assets in healthcare, higher education, technology, federal research, and strategic military operations when compared to other states. Maryland does not, however, possess a coherent strategy to best leverage these assets to grow the most competitive and equitable economy going forward. The lack of a state-wide strategy for growing its innovation economy— including investment, coordination, and inclusiveness— limits Maryland from becoming more competitive. As a result, Maryland’s lagging job growth is leaving many residents and their families behind.

According to National Science Foundation, Kaufman Foundation and others, Maryland is 1st in academic R&D per capita, but only ranks 28th in industry R&D output (a good measure of commercialization) and 40th in early startup survival rate. Our economic competitiveness requires we do better in these key areas. One of the ways we do this is to create “places” where industry government and academia can collaborate. Further, when you consider many of these “places” exist near federal facilities or higher ed institutions that reside within or near underserved communities, the importance of this discussion becomes magnified.

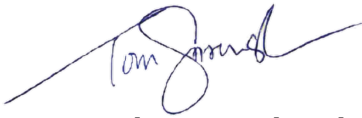
Through SB0699 and the creation of an Equitech resource, Maryland could invest alongside its industry and federal government partners to create “places”, innovation communities, that have the innovation infrastructure necessary to help commercialize our R&D, spawn and sustain startups, train our underserved residents, and create valuable job opportunities. With a clear strategy and the resources necessary to compete with states such as Virginia, North Carolina, Massachusetts, Ohio and Texas— Maryland can tap into its superior base of innovation assets and catalyze investment in communities that need it the most.

For too long, Maryland’s approach has been fragmented or siloed. SB0699 creates the forum and provides the resources necessary to assure that government, industry and education stakeholders are engaged— with the broader community in mind.

MEDCO was created by the Maryland General Assembly in 1984 to assist in the growth and retention of Maryland businesses, attraction of new business, the creation of new business ventures, and to grow employment opportunities throughout the state. MEDCO achieves its mission by partnering with public/private entities to offer advisory services and provide innovative financing, real estate and infrastructure development solutions.

MEDCO has long recognized the importance of supporting its innovation assets and the communities in which they reside. MEDCO is, therefore, proud to support its partners at TEDCO in this Equitech effort and requests your favorable report on SB0699.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Sadowski", with a long horizontal flourish extending to the left.

J. Thomas Sadowski
Executive Director

UpSurge Baltimore SB0699 Equitech Bill Testimony.p

Uploaded by: Jamie McDonald

Position: FAV

Senate Finance Committee

March 7, 2023

Senate Bill 699 – Maryland Technology Development Corporation –
Maryland Equitech Growth Fund And Commission

Position: Support

Opening Statement: UpSurge Baltimore, Baltimore's Tech Ecosystem Engine

In 2021, a group of private sector leaders launched UpSurge to build an Equitech movement in Baltimore and grow a top-tier tech city, leveraging our world-class assets and talent. We're building the first tech city 3.0, where founders of all backgrounds can build world-class companies and drive economic growth – without the deep inequities that have occurred elsewhere in tech cities across the country. We're mobilizing our ecosystem around tech startups, with a special focus on increasing the social and economic capital to benefit Black, women, and other underestimated founders. We play a strategic role at the intersection of social, network, and economic capital, to facilitate connections between funders, founders, accelerators & incubators, academia, corporations, workforce development partners, and government.

Our position: UpSurge supports Senate Bill 699

Maryland Technology Development Corporation – Maryland Equitech Growth Fund and Commission. The legislation creates the Equitech Growth Fund and Commission in TEDCO for the purpose of increasing Maryland's competitiveness as an innovation economy and ensuring that it is accessible to all communities across the State.

We believe Senate Bill 699 is vital to the future of the State

UpSurge is optimistic about the potentially transformative impact of the Equitech Growth Fund and the opportunity to supercharge our urban and rural economies through entrepreneurship and high quality, well-paying jobs in the innovation sector. As Governor Moore said in his inauguration address, "We do not have to choose between a competitive economy and an equitable one." We can celebrate the growth of our core innovation sectors, like life sciences and cybersecurity, and work to unlock the potential of underestimated entrepreneurs who struggle to access the financial and social capital that

anchors the success of so many emerging leaders. There is no thriving state or city in the country that does not have a robust tech sector, and many of our post-industrial state counterparts have leapt past us as they have invested deeply in their state technology economies and workforce initiatives. The Equitech Fund is a vital component of a comprehensive strategy to ensure we become the first Equitech state in the country and a model for the world of a truly equitable innovation economy.”

Born in Baltimore, Equitech is a movement to define what it means to be an inclusive tech economy, creating a culture of belonging in tech while unlocking economic potential. Our vision is to create the first Equitech city and state, where diverse entrepreneurs found transformative companies; where the tech workforce of the future is growing up in our neighborhoods; where prosperity is shared across every ZIP code; and where the technologies reshaping society are born.

We have worked closely with the TEDCO leadership to translate the foundational values of Equitech into a statewide vision and approach for a transformative tech economy and workforce engine for Maryland.

Why Senate Bill 699 is vital right now

- Startups – both tech and tech-enabled – are the backbone of the country’s thriving state and city economies. The economic impact of tech complements the small business and corporate sectors that Maryland supports, providing a full continuum of opportunity for Maryland residents.
- As tech companies scale, they deliver high-quality jobs that provide pathways to prosperity, wealth creation, secure families and stable neighborhoods.
- We have an opportunity to be the first Equitech state in the country, one that learns from the experiences of tech-rich states that have failed to include urban and rural residents from underinvested communities. Our opportunity is to build Maryland, and its major cities, like Baltimore, into a different kind of tech ecosystem – one that draws broadly on the brilliance of its diverse residents, creating opportunities for entrepreneurship, family advancing jobs, and increased wealth creation.

Closing statement: For these reasons, I support SB 699 and urge passage of this important legislation.

BGE-FIN-BT-SUPP-Senate Bill 699 - Maryland Technol

Uploaded by: John Quinn

Position: FAV



Support
Finance Committee
Budget & Taxation Committee
3/7/2023

Senate Bill 699 - Maryland Technology Development Corporation - Equitech Growth Fund and Commission

Baltimore Gas and Electric Company (BGE) supports Senate Bill 699 – *Maryland Technology Development Corporation (TEDCO) - Equitech Growth Fund and Commission*. Senate Bill 699 creates the Equitech Growth Fund and Commission in TEDCO for the purpose of increasing Maryland’s competitiveness as an innovation economy and ensuring that it is accessible to all communities across the State.

Maryland has a vast set of assets and resources that drive our economy but lacks a state-wide strategy for its innovation economy, including investment, coordination, and inclusiveness. Taking the extra step to establish a focused effort on this innovation strategy would propel the State to a new level of competitiveness within our region and beyond. We need to create a strategic planning commission and investment fund and this bill would establish them in the Equitech Growth Fund and Commission (Commission).

For example, industries like the life sciences have been stating for years that Maryland needs more wet lab space to support early-stage, life science companies. The State needs to make investments in facilities that will attract and help grow early-stage life science companies spinning out of University of Maryland, Johns Hopkins, and many other research institutions across the State.

The Commission would also focus on increased access to participation and inclusiveness in the innovation economy. There are many citizens of Maryland that are unable to access the growing innovation economy. The Equitech Growth Fund can help to create more pathways for young people in all communities across the State to engage in the innovation economy and better leverage Maryland’s wonderful diversity.

Other states like Massachusetts, Virginia, and North Carolina, are making significant investments in their innovation economy. Maryland needs to do the same to be competitive.

Maryland is doing great things to invest in early-stage companies. TEDCO is a wonderful resource for the State, but Maryland needs to ensure that the early-stage companies in which it has made an investment remain in the State as they scale and continue to benefit our citizens. The Equitech Growth Fund will create the resources that will keep these companies here.

BGE urges a favorable report on Senate Bill 699.

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.2 million electric customers and more than 655,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship, and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC).

SB0699 - CareFirst Testimony - Support.pdf

Uploaded by: Lester Davis

Position: FAV

Lester Davis
Vice President & Chief of Staff to the CEO

CareFirst BlueCross BlueShield
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Senate Bill 699 – Maryland Technology Development Corporation - Equitech Growth Fund and Commission

Position: Favorable

Thank you for the opportunity to provide comments in support of Senate Bill 699. This bill would establish the Equitech Growth Commission and Fund (EGF) in the Maryland Technology Corporation (TEDCO) to support economic competitiveness and inclusive growth of emerging and advanced industries in the State.

The Equitech Growth Commission is charged with developing an inclusive, comprehensive, long-term strategic plan and 10-year goals for growing the State's innovation economy to be highly competitive with other states and regions relative to growing, attracting, and retaining a skilled workforce and high-growth businesses. The strategic plan must include mechanisms to increase the participation of communities in the innovation economy, create pathways for high-paying jobs, and increase and expand wealth in minority communities. The EGF is established in TEDCO as a special, non-lapsing fund to support the economic competitiveness and inclusive growth of emerging and advanced industries in the State through the creation of supporting infrastructure assets, resources, and a diverse workforce that builds the strengths of the State's economy.

CareFirst believes that it is imperative to invest in inclusive and equitable approaches to diversify Maryland's economy and drive impactful solutions that accelerate our position as a global leader in equitech. The Equitech Growth Fund is an opportunity to further elevate Maryland's competitiveness, create new economic interest and drive an inclusive economic growth strategy for our region. Maryland has the potential to be a national tech leader, given our many assets and resources. Those include our state's commitment to diversity, equity, inclusion, and accessibility.

CareFirst supports Senate Bill 699 and looks forward to being an active partner in ensuring we build and grow a tech ecosystem that taps into the talents of all our innovative entrepreneurs, benefiting communities across Maryland.

We urge a favorable report.

About CareFirst BlueCross BlueShield

As the largest healthcare insurer in the Mid-Atlantic region, CareFirst provides health insurance products and administrative services to 3.6 million individuals and employers in Maryland, the District of Columbia, and Northern Virginia. We participate in the individual, small group and large employer markets, as well as in Medicare and Medicaid. CareFirst is Maryland's only nonprofit health service plan and consistent with our not-for-profit mission, we are committed to improving the overall health of the communities we serve, and increasing the accessibility, affordability, safety, and quality of healthcare throughout our service area.

To learn more about CareFirst BlueCross BlueShield, visit our website at www.carefirst.com and our transforming healthcare page at www.carefirst.com/transformation, or follow us on [Facebook](#), [Twitter](#), [LinkedIn](#), or [Instagram](#).

SB 699 Testimony MICUA FINAL.pdf

Uploaded by: Matt Power

Position: FAV

Written Support

Finance Committee

SB 699 – Maryland Technology Development Corporation – Maryland Equitech Growth Fund and Commission

Matt Power, President

mpower@micua.org

March 7, 2023

On behalf of the member institutions of the Maryland Independent College and University Association (MICUA) and the 56,000 students we serve, I thank you for the opportunity to provide this testimony in support of *SB 699 Maryland Technology Development Corporation – Maryland Equitech Growth Fund and Commission.*

The legislation creates the Equitech Growth Fund and Commission in TEDCO for the purpose of increasing Maryland's competitiveness as an innovation economy and ensuring that it is accessible to all communities across the State. MICUA strongly supports innovative programs that will increase investment, coordination, and inclusiveness for the State of Maryland.

Maryland needs a strategic Commission and investment fund in order to stay competitive with our peers. Maryland has world renowned institutions of higher education and research institutions, but we need to do better at utilizing this research in a way that transfers that knowledge into new products and innovations that make our economy stronger. Our competitor states, like Massachusetts, Virginia, and North Carolina are already making significant investments to stimulate their innovation economies.

The Equitech fund will help early-stage companies stay in state as they scale and the benefits will enhance both our economy and our residents. MICUA commends the General Assembly for recognizing that Maryland needs to do more and for directing TEDCO to develop a framework that will build on our existing strengths and enable more communities to participate in the innovation economy.

For these reasons MICUA recommends a favorable committee report for Senate Bill 699.



Testimony SB 699.pdf

Uploaded by: Myra Norton

Position: FAV

Senate Finance Committee
March 7, 2023
**Senate Bill 699 – Maryland Technology Development Corporation – Maryland Equitech
Growth Fund And Commission**
Position: Support

As both the CEO of a Maryland-based technology company and a member of the TEDCO board of directors, I am pleased to support Senate Bill 699 – Maryland Technology Development Corporation – Maryland Equitech Growth Fund And Commission. This legislation creates the Equitech Growth Fund and Commission in TEDCO for the purpose of increasing Maryland’s competitiveness as an innovation economy and ensuring that opportunities to found, grow and work in technology companies are accessible to all communities across the State.

Despite Maryland’s significant assets (e.g. universities, healthcare systems, anchor corporations, federal labs/agencies, diverse population), the current lack of a state-wide strategy for its innovation economy that includes investment, coordination, and inclusiveness limits the State from becoming more competitive with other states and regions. As a result, Maryland’s lagging job growth is leaving many Marylanders behind.

Other states like Massachusetts, Virginia, and North Carolina are making significant investments in their innovation economy, and these states are thriving as a result. Maryland needs to do the same. Maryland is doing great things to invest in early-stage companies. TEDCO is a wonderful resource for the State, but Maryland needs to ensure that the early-stage companies in which it has made an investment remain in the State as they scale and continue to benefit our citizens. The Equitech Growth Fund will create the resources that will keep these companies here and help them meaningfully succeed.

On top of the many benefits to the state in terms of job creation, increasing the tax base, and driving greater economic growth overall; there is an arguably more important reason to invest in innovation in *this way* – in the manner contemplated by the Equitech Growth Fund and Commission. The record for venture investments in women and minorities is abysmal. The Equitech Growth Fund can create the infrastructure needed to change this dynamic, enabling a more equitable distribution of investment dollars across the state.

For these reasons and many more, **I support SB 699 and urge passage of this important legislation.**

Myra Norton
President & CEO
Arena Analytics

BARDACK - SB 699 - SUPPORT.pdf

Uploaded by: Paul Bardack

Position: FAV

PAUL BARDACK

11208 HEALY STREET ◻ SILVER SPRING, MD 20902 ◻ PRBARDACK@GMAIL.COM ◻ (301) 792-2255

MARCH 7, 2023

CHAIRWOMAN GRIFFITH, CHAIRMAN GUZZONE, AND VICE CHAIRS KLAUSMEIER AND ROSAPEPE:

MY NAME IS PAUL BARDACK. BEGINNING ROUGHLY FIVE YEARS AGO, AND UNTIL MY RECENT RETIREMENT, I HEADED THE MARYLAND SMALL BUSINESS DEVELOPMENT CENTER --- OUR STATE'S LEADING PROVIDER OF SUPPORT SERVICES FOR CURRENT AND PROSPECTIVE SMALL BUSINESS OWNERS.

IN THAT CAPACITY, I CAME TO REALIZE THAT THERE IS NOT ONE MARYLAND. THERE ARE TWO.

ONE MARYLAND CONSISTS OF THOSE WHO ARE FORTUNATE ENOUGH TO HAVE THE ASSETS NEEDED TO LAUNCH A COMPANY AND TO SUSTAIN IT. THAT MARYLAND HAS THE RESOURCES TO PARTICIPATE IN OUR INNOVATION ECONOMY.

THE OTHER MARYLAND CONSISTS OF THOSE WHO LACK THE ASSETS, CONNECTIONS, AND OTHER RESOURCES NEEDED TO ACT ON THEIR ENTREPRENEURIAL DREAMS. THAT MARYLAND, THE FORGOTTEN MARYLAND, BARELY PARTICIPATES IN OUR INNOVATION ECONOMY.

IT INCLUDES BLACKS, WHO MAKE UP 31% OF OUR POPULATION YET OWN ONLY 7% OF OUR BUSINESSES; WOMEN, WHO MAKE UP 51% OF OUR POPULATION YET OWN ONLY 30% OF OUR BUSINESSES; AND HISPANICS, WHO MAKE UP 11% OF OUR POPULATION YET OWN ONLY 5% OF OUR BUSINESSES.

WHAT IS NEEDED, I BELIEVE, IS A PLAN TO GIVE NOT JUST SOME BUT ALL OUR RESIDENTS THE MEANINGFUL OPPORTUNITY TO TURN THEIR ENTREPRENEURIAL DREAMS INTO REALITIES. AND NOT JUST A PLAN, BUT THE FINANCIAL AND TRAINING AND HOUSING AND OTHER RESOURCES NEEDED TO MAKE A REAL DIFFERENCE TO OUR FUTURE ENTREPRENEURS NOW LEFT BEHIND.

AND THAT'S WHAT SB 699 DOES, AND WHY I SUPPORT IT.

BECAUSE WE MUST FACE THE FUTURE AS ONE UNIFIED MARYLAND IN WHICH EVERYONE'S ENTREPRENEURIAL DREAMS HAVE A MEANINGFUL CHANCE TO BECOME REAL, AND NOT AS A DIVIDED MARYLAND IN WHICH THE ENTREPRENEURIAL DREAMS OF TOO MANY OF US ARE ROUTINELY DENIED THROUGH NO FAULT OF THEIR OWN.

THANK YOU.

Favorable_Written Testimony - SB 699.docx.pdf

Uploaded by: Tasha Cornish

Position: FAV

FAVORABLE

TESTIMONY PRESENTED TO THE
FINANCE COMMITTEE

SENATE BILL 699

MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION - EQUITECH GROWTH FUND AND
COMMISSION

NAME
ORGANIZATION

POSITION: FAVORABLE

March 7, 2023

Chair Griffith, Vice Chair Klausmeier, and Members of this Committee, thank you for the opportunity to submit testimony in support of Senate Bill 699.

In order for Maryland to be recognized as a tech hub and powerhouse, we need to coordinate resources for underserved communities to grow and thrive in high-tech careers, as technologists and entrepreneurs. The Equitech Growth Fund will do just that. By convening existing resources and experts through the Equitech Growth Commission, the group will create a strategic plan and identify long-term goals for growing the State's innovation economy.

As the only organization in Maryland dedicated to growing the cybersecurity industry, we wholeheartedly support this bill on behalf of our 600+ corporate members. This is exactly the type of intentional, coordinated funding that will move the needle for Maryland. Our organization urges a favorable report. Thank you again for the opportunity to testify.

SB 699 - Equitech Growth Fund & Commission - TEDCO

Uploaded by: Troy LeMaile-Stovall

Position: FAV



Senate Finance and Budget and Taxation Committees

March 7, 2023

SB 699 – TEDCO - Maryland Equitech Growth Fund and Commission

Position: Support

The Maryland Technology Development Corporation (TEDCO) is dedicated to economic growth through the fostering of an inclusive entrepreneurial and innovation ecosystem. TEDCO discovers, invests in, and helps build great Maryland-based, technology companies.

TEDCO thanks the bill sponsors for their support and leadership on this legislation. TEDCO supports Senate Bill 699 – Maryland Technology Development Corporation – Maryland Equitech Growth Fund and Commission that creates the Equitech Growth Fund and Commission in TEDCO for the purpose of increasing Maryland’s competitiveness as an innovation economy and ensuring that it is accessible to all communities across the State.

Despite Maryland’s significant assets (ex. universities, healthcare systems, anchor corporations and businesses, federal labs/agencies, diverse population), the current lack of a state-wide and strategy for its innovation economy including investment, coordination, and inclusiveness limit the State from becoming more competitive with other states and regions. As a result, Maryland’s lagging job growth versus is leaving many Marylanders behind.

According to TEDCO’s Maryland Innovation Competitiveness Study, Maryland’s overall economic growth rate is slowing (real gross domestic product grew only 1.0% per year from 2011–2021). If this continues, it will have a negative effect on job opportunities, livelihoods, and the state’s overall fiscal health. **The high-tech sector is Maryland’s engine of growth, but the state needs high-tech employment growth of 3% to 4% per year compared to its past-10-years growth rate of 1.6% per year.** If we were to achieve this growth, Maryland would add almost 90,000 family wage-supporting, advanced industry jobs to the economy.

Maryland has yet to act and invest at a scale that will enable it to truly pull ahead of its regional and state competitors and become a top-10 innovation state. At the same time, underrepresentation of people of color and women in high-tech companies and startups continues at an unacceptable rate. In some cases, taking decades or 100’s of years to achieve parity with non-minorities.

To move to a higher growth trajectory, Maryland needs to be proactive and develop a comprehensive strategy to spur stronger high-tech industry and innovation-led growth, make the needed investment to execute that growth, engage industry and diverse communities, and act quickly to remain competitive with other states in attracting and retaining industry and talent. SB 699 enables Maryland to address these issues and TEDCO urges passage of this important legislation.

TEDCO supported amendments: As the fiscal and policy note states, the legislation, as currently drafted, enables funding in FY24 and the outyears, but *mandates* funding for FY25-28. TEDCO supports amending the mandated spending to discretionary spending. Further, the Maryland Technology Council and Maryland Association of Counties requested the bill be amended to include representation on the Commission. TEDCO views these changes as positive and welcomes their representation on the Commission.

Background: Maryland Innovation Competitiveness Study

The Joint Chairmen's Report from the 2022 General Assembly session requested that TEDCO:

1. Conduct a study to assess the effectiveness and impact of the State's current economic development strategy and look at ways to elevate Marylanders who have not been included in early-stage technology and life sciences opportunities; and
2. Develop draft legislation for the establishment of a "Maryland Equitech Growth Fund" in consultation with the Maryland Economic Development Corporation, the Maryland Small Business Development Financing Authority, industry, university, and representative community groups.

The specific areas of the study are:

- Maryland's competitiveness in cybersecurity and IT, biohealth, and other advanced industries; Investments being made by other states to increase their competitiveness;
- Participation of people of color in Maryland's high-tech sector workforce;
- The connection between STEM education and career development in these sectors;
- Participation by people of color in startup activities; and
- Wealth creation in communities of color.

Although some aspects of this study are unique, this is not the first analysis of Maryland's economic competitiveness in recent years. The conclusions of these studies are consistent with the findings of TEDCO's January 2023 report. According to TEDCO's report, "The stakeholders of these studies present a vision for inclusive tech and startup activity ("equitech") that "draws broadly on the brilliance of the populace, across neighborhoods and cultures, as founders, workforce, mentors, investors, and thought leaders." As Fortune 500 companies set diversity and inclusion goals and search for locations in which to expand, the natural diversity of Maryland's talent base, coupled with a long-term focus on its startup ecosystem, provides an opportunity to become a leading equitech economy nationally and globally."

Insights – Coalition of the Willing

With competing states and regions actively investing in innovation infrastructure and workforce, it's time for Maryland to step up to the plate and to grow our innovation economy.

To accurately understand Maryland's current position as an innovation economy, and how much growth is needed for the state to maintain and grow its competitiveness, we conducted a study to gather information. This study, the Maryland Innovation Competitiveness Study, told of a slowing growth rate that will, if allowed to continue, negatively impact job opportunities, livelihoods, and the overall fiscal health of the State. The study advises that Maryland needs to create more opportunities for a larger and more diverse workforce including, supporting, and increasing the opportunities for underrepresented individuals to get into high technology-based education, careers, and entrepreneurial activities.

That's where Cultivate Maryland comes in. Creating inclusive tech, life sciences and startup activity will help to attract the brilliant and talented workers scattered throughout Maryland, ensuring founders, workforce, mentors, investors, and thought leaders are included and active in shaping the tech ecosystem and workforce.

The following pages include quotes from an array of Maryland ecosystem partners, expressing support of this initiative.

Coalition of the Willing

“When we invest in our tech entrepreneurs across the state with programs like TEDCO’s Rural and Urban Business Innovative Initiatives, we see real success. We know here in Maryland that innovation isn’t about your address; it’s about ideas. Now is the time for Maryland to act and invest at a scale that will enable it to truly pull ahead of competitors and become known as a top innovation state. We all benefit, from Maryland’s western mountains to our eastern shore and everyone in between.”

– **Malcolm Augustine, Senate President Pro Tem and Member of the Education, Energy, and the Environment Committee**

“Maryland’s competitors are investing significantly in their innovation infrastructure and workforce. It’s time we do the same. The bad news is we’re not growing our tech economy at the rate we should. The good news is that

Maryland has the potential to be a national tech leader, given our many assets and resources. Those include our state’s commitment to diversity, equity, inclusion and accessibility, a commitment that ensures we build and grow a tech ecosystem that taps into the talents of all our innovative entrepreneurs, benefiting communities across our great state.” – **Delegate**

Vanessa Atterbeary, Chair of the Maryland House Ways and Means Committee

“We must choose to invest in inclusive and equitable approaches to diversify Maryland’s economy and drive impactful solutions that accelerate our position as a global leader in equitech. The Equitech Growth Fund is an opportunity to further elevate Maryland’s competitiveness, create new economic interest and drive an inclusive economic growth strategy for our region.” – **Brian Pieninck, President and CEO of CareFirst BlueCross**

BlueShield

“When we talk about Maryland’s most valuable innovation assets, there’s one I’m particularly proud of: Our people. Maryland ranks first among states in the education attainment of its workforce. We’re routinely in the U.S. top 5 for PhDs and engineers, for STEM workers, for four-year degree holders. But that’s not enough. Because we know that not everyone participates equally in Maryland’s innovation economy. We’re leaving people behind. And until we invest in a more inclusive, more equitable, more intentional talent development strategy, Maryland won’t be as strong as we were built to be.” –

Jay A. Perman, Chancellor, University System of Maryland

“This study is where Maryland can begin to bridge the gap in being asset rich but strategy poor, as Governor Moore said in his inaugural address. We have to expand opportunities to those who have previously been excluded in our State’s innovation economy, starting from the ground up, and inclusive of all populations, especially community college students.” – **Dr. Brad Phillips, Executive Director of the Maryland Association of Community Colleges**

“Maryland’s innovative spirit shines brightest when its private, public, and non-profit sectors collaborate. The Equitech growth fund will make Maryland even more desirable to inclusive employers and their workers, harnessing more great minds into high tech education and entrepreneurial careers. Once again, Maryland and TEDCO are setting the bar for other states to meet.” – **Matt Power, President, Maryland Independent College and University Association**

“We need to invest in certain industries and technologies today in order to create long-term value and the good paying jobs of the future. The investment will also ensure that Maryland plays a strategic role in the nation’s global competitiveness for years to come. I’m confident that the Equitech Growth Fund is a bold first step toward investing in our collective future.” – **Michael J. Howard, CPA, Founder and Managing Member, MJH Group, LLC**

“Maryland possesses numerous resources that need to be brought to bear to address future needs that demand attention, none more important than the full realization of the invaluable human resources potential across the state of Maryland and the contribution that can make to a bright future. This critical initiative will bring together those threads that include innovation, education, investment and regional approaches to that challenge.” – **Clifford P. Coppersmith, Ph.D., President, Chesapeake College**

“Maryland is often accused of not achieving the full potential of all of our deep entrepreneurial community and our rich inventory of technology-focused institutions, academia, labs, and private sector partners. The Equitech Growth Fund is a critical investment necessary to bring the power of ALL of our entrepreneurs and ALL of our assets to bear to create jobs, grow the economy, create opportunity, and continue to lead the nation and the world.” – **David W. Tohn, CEO, BTS Software Solutions**

“Equitech will elevate talent, innovation and competitiveness, and close the workforce diversity gap throughout emerging technologies in Maryland. Developing a strategy to catapult the innovation economy forward will change lives and create lasting opportunities across the state in rural and urban communities.” – **Susan Banks, Director, Dorchester County Economic Development**

"In today's economy, every company is a tech company. The competition for business location, tech startups and retaining tech talent will depend largely on a STEM-enabled workforce. Ensuring access by the broadest range of Marylanders will be critical to Maryland competitiveness." – **Jeffrey A. Rhoda, retiring in June 2019, Jeff was the General Manager, Greater China Group located in Beijing and responsible for IBM's business in China.**

“Maryland must start now investing in the incredible untapped talent that is strewn throughout the state. We must seek a more equitable and inclusive ecosystem—that’s why I’m excited to see the creation of Cultivate Maryland. As a state, we are finally taking the necessary steps towards a successful, sustainable, and competitive innovation economy.” - **Myra Norton, President and CEO, Arena**

“UpSurge is optimistic about the potentially transformative impact of the Equitech Growth Fund and the opportunity to supercharge our urban and rural economies through entrepreneurship and high quality, well-paying jobs in the innovation sector. As Governor Moore said in his inauguration address, “We do not have to choose between a competitive economy and an equitable one.” We can celebrate the growth of our core innovation sectors, like life sciences and cybersecurity, and work to unlock the potential of underestimated entrepreneurs who struggle to access the financial and social capital that anchors the success of so many emerging leaders. There is no thriving state or city in the country that does not have a robust tech sector, and many of our post-industrial state counterparts have leapt past us as they have invested deeply in their state technology economies and workforce initiatives. The Equitech Fund is a vital component of a comprehensive strategy to ensure we become the first Equitech state in the country and a model for the world of a truly equitable innovation economy.” – **Jamie McDonald, CEO, UpSurge Baltimore**

"Foresightedly, the State of Maryland has been putting resources into research and discovery to advance the health of its citizens since 2006, capitalizing on its academic and corporate assets to make itself a magnet

and driver in the stem cell and regenerative medicine field." – **Avram I. Reisner, PhD, Maryland Stem Cell Research Commission**

"It is time for Maryland to lead, addressing today's challenges in such a way that we are the center of opportunity for all going forward." – **J. Thomas Sadowski, Executive Director, Maryland Economic Development Corporation (MEDCO)**

"BGE has had a long-held belief that a diverse, equitable and inclusive workforce benefits everyone. This study will help us continue to move forward with our partners in workforce development, as we consider who is trained and what they are trained to do. Providing opportunities for education and training in a wide variety of STEM fields, with a focus on innovation, is not only the right thing to do, but it is a necessity for future growth not only for BGE, but for all of Maryland." – **Carim Khouzami, President and CEO of BGE**

"I have had the wonderful opportunity to start and build two technology companies in Maryland – Bithgroup Technologies and Bithenergy. Additionally, I have written six books on entrepreneurship and wealth creation and competed to become the next Mayor of Baltimore City in 2020. In all these endeavors, it has remained crystal clear to me that our growth and prosperity as a state will be a function of how well we invest in our technological and innovation infrastructure. To win the future, we must be the one to create the future! This is why I am extremely excited about the Equitech Growth Fund and will do all that I can to make it a real and a reliable engine for entrepreneurial growth and wealth creation in our great state." – **Robert L. Wallace, Author: Black Wealth through Black Entrepreneurship, CEO, Bithenergy, Inc.**

"There's a deep commitment within Baltimore's tech community to equitable growth. There's not many of us that want Baltimore to be the next Silicon Valley or Boston with a massive gentrification driven by a group of VCs and a small handful of entrepreneurs. We want to keep the diversity of neighborhoods and cultures that makes us the Charm City. We have to have a different model for growth that benefits everyone. Cultivate Maryland is certainly a step in the right direction." – **Ken Malone, Founder, Early Charm Ventures, LLC**

"Innovation and exponential technologies are upending traditional approaches to business and work. This shift provides an opportunity for Maryland to invest in cultivating a thriving and inclusive ecosystem, making

Maryland a model for others, and the State a leader in the innovation economy.” – **Mahan Tavakoli, CEO, Strategic Leadership Ventures**

“Cultivate Maryland is a groundbreaking initiative that will undoubtedly continue to position Maryland as a center of innovation. This will, in turn, help attract the world’s most cutting-edge companies from around the country and the world.” – **David Speer, Executive Director, Maryland/Israel Development Center**

“Maryland consistently ranks as a top tech market in terms of its raw assets: technologies, talent, and concentration of national funding agencies. We stand ready to seize this position of immense opportunity by investing intentionally in infrastructure, and the results will be companies, jobs, and wealth creation for families. We have seen infrastructure investment deliver returns in other states; this study will help us chart the course for Maryland’s own, unique strategy that will prioritize inclusion.” – **Christy Wyskiel, Senior Advisor to the President of JHU for Innovation and Entrepreneurship; Executive Director of Johns Hopkins Technology Ventures**

“By investing in entrepreneurs, we secure Maryland’s place as a national leader in innovation and competitiveness while promoting diversity and inclusiveness in this model. The success seen through TEDCO’s Cultivate Maryland innovation initiative is a testament to the state’s unwavering commitment to the future and its’ efforts to provide opportunities for a diverse range of individuals to succeed in the tech industry. TEDCO’s initiative has paved the way for tech entrepreneurs to have a bright future in Maryland and has set the standard for fostering innovation and unlocking success.” **Rick Kohr, Chief Executive Officer, Evergreen Advisors**

“In response to the Cultivate Maryland Study, Eastern Shore Entrepreneurship Center’s F3 Tech Accelerator and Frederick Innovative Technology Center’s The EDGE Accelerator have initiated a targeted effort to engage socially and economically disadvantaged individuals (SEDI). Through a collaborative effort, both programs will recruit SEDI that are interested in commercializing innovations and technologies within the agriculture and biotechnology sectors. Involving both rural and urban regions of Maryland, this effort will contribute, on a number of levels, to the inclusivity being sought Maryland.” – **Mike Thielke, Executive Director, Eastern Shore Entrepreneurship Center (ESEC)**

“It is a sadly accepted fact that greatness and potential are evenly distributed while pathways and opportunity are not. At the same time, we celebrate Maryland as a state rich in intellectual and physical assets that has not yet reached its greatest heights. This study helps to bridge that persistent

gap. By strategically investing in people and their ingenuity, Cultivate Maryland writes an ambitious playbook for inclusive growth and a thriving economy.” **Shanaysha Sauls, Baltimore Community Foundation**

“Since its earliest days, Maryland has been in the forefront of technological advancement. Before the Internet, railroads created a network that opened an entire continent to possibilities of the future. The first common carrier railroad in America began in Baltimore (1828). One of the first great scientists in the new county was Maryland’s Benjamin Banneker, often called the “African American Benjamin Franklin.” These are just two examples of the aspiration of bringing all Marylanders, not just the few, into a common enterprise to create progress in which all participate. This is the spirit of Cultivate Maryland.” – **David W. Wise, Retired business executive, Board Member, Maryland Venture Fund Authority**

“Progress is centered on forward momentum and foregoing complacency. We’ve done much in cultivating Maryland’s entrepreneurial landscape and bringing more equitable access to those who currently and traditionally have gone without. Yet, there is still more to be done. Investment is required to keep Maryland on the competitive forefront, to encourage and engage a widely diverse base of entrepreneurs to raise their hands and step up to building technologies and companies that will benefit local communities, networks, and the state. More importantly, we have a responsibility to provide those resources and investments to help these companies to grow and reach sustainability in order to provide long standing benefits, which will in turn encourage even more innovation and economic growth.” – **Grace Garry, Y93C**

“This is an important initiative for our state, its citizens and especially for all our current and aspiring tech entrepreneurs. Innovation, as well as the sustainable competitive advantages and positive outcomes that result, don’t ‘just happen,’ but instead need to be encouraged, nurtured and available to all. This initiative and the insight gleaned will go a long way towards driving success for Maryland’s communities and citizens now and in the years to follow.” – **Mike Tumbarello, GeoComm Media Group**

"The end goal of all that we do as educators is to change lives for the betterment of the individual and for society. Our state's powerful ecosystem of pre-K to 12 educators, higher education, employers, researchers, and funders can be amplified through convening around our innovation economy. The Equitech Growth Fund provides Maryland the means to better achieve our true potential as a high employment growth outlier. In the

process, we can realize the shared vision of a more equitable future for all students." -**Mary Ann Scully, Dean, Loyola University Maryland's Sellinger School of Business and Management**

"As a small business owner focused on the intersection between innovation and economic growth, I am very interested in seeing the cultivation of additional assets and resources that leverage innovation to help increase our great state's competitiveness, not only in the region, but across the nation. To that end, I enthusiastically support the advancement of HB 781 and SB 699 which will result in the establishment of the Equitech Growth Fund and Commission within TEDCO." - **Vennard Wright, President/CEO, Wave Welcome**

"Starting with the development of its post-doctoral fellowship program in 2008, the MSCRF has sought to support the training of the next generation of human stem cell researchers and expand Maryland's biotech community by funding younger scientists at an earlier stage in their career. Additional funding for this MSCRF program would train more awardees who already trend only younger, but also more diverse in various ways, thereby affording critical support to scientists who especially need funding to enhance their training and contribute to Maryland's effort to accelerate treatments and cures. At MSCRF, much of our funding is devoted to researching treatments and cures for ailments that disproportionately afflict underserved communities. If we are serious about continuing to advance this important, inclusive work and ensure that all Marylanders benefit, we need additional funding to support this innovative, high-risk but high-reward work." - **Diane Hoffmann, M.S., J.D., Chair, Maryland Stem Cell Research Commission; Professor of Law, Director Law & Health Care Program, University of Maryland School of Law**

"On behalf of TEDCO, we thank the General Assembly for their directive and RTI International and Keen Point Consulting for their work on this illuminating report. The findings are clear: our state can lead the U.S. in tech innovation and growth in a way that is inclusive of talented but traditionally underrepresented Marylanders. Now is the time for Maryland to take the crucial next steps to ensure our place as a top innovation leader, beginning with the creation of an Equitech Growth Fund and a major new commission that is laser-focused on growing a thriving, diverse tech sector." – **Troy LeMaile-Stovall, TEDCO CEO**

SB0699_FWA_MTC_TEDCO - Equitech Growth Fund & Comm

Uploaded by: Kelly Schulz

Position: FWA



MARYLAND TECH COUNCIL

TO: The Honorable Melony Griffith, Chair
The Honorable Guy Guzzone, Chair
Members, Senate Finance Committee
Members, Senate Budget and Taxation Committee
The Honorable Malcolm Augustine

FROM: Andrew G. Vetter
Pamela Metz Kasemeyer
J. Steven Wise
Danna L. Kauffman
Christine K. Krone
410-244-7000

DATE: March 7, 2023

RE: **SUPPORT WITH AMENDMENT** – Senate Bill 609 – *Maryland Technology Development Corporation – Equitech Growth Fund and Commission*

The Maryland Tech Council (MTC) is a collaborative community, actively engaged in building stronger life science and technology companies by supporting the efforts of our individual members who are saving and improving lives through innovation. We support our member companies who are driving innovation through advocacy, education, workforce development, cost savings programs, and connecting entrepreneurial minds. The valuable resources we provide to our members help them reach their full potential, making Maryland a global leader in the life sciences and technology industries. On behalf of MTC, we submit this letter of **support with amendment** for Senate Bill 609.

Senate Bill 609 establishes the Equitech Growth Fund within the Maryland Technology Development Corporation (TEDCO) and establishes the Equitech Growth Commission to create a strategic plan and long-term goals for growing the State's innovation economy. The purpose of the Fund is to support the economic competitiveness and inclusive growth of emerging and advanced industries in the State through the creation of supporting infrastructure assets, resources, and diverse workforce that builds the strengths of the State's economy.

The 2022 Joint Chairman's Report tasked TEDCO to lead a study to guide the creation of an Equitech Growth Fund. TEDCO recently released the "Maryland Innovation Competitiveness Study" as a result of that process. This report contains a number of key findings, including that "Maryland has yet to act at a scale that will enable it to truly pull ahead of competitors and become a top-10 innovation state." The report goes on to note that "Maryland needs to be proactive and develop a comprehensive strategy to spur stronger high-tech industry and innovation-led growth, make the needed investment to execute that growth, engage industry and diverse communities, and act quickly to remain competitive with other states in attracting and retaining industry and talent." Senate Bill 609 take a significant step in the direction of addressing these shortfalls in Maryland's efforts to become a top state for innovation and our membership is in full support of making this type of investment.

We respectfully request one amendment – we propose that MTC be included among the Equitech Growth Commission members enumerated in the bill. As the State's largest association of technology companies, we believe we have an important voice in setting the strategic direction of the Equitech Growth Fund.

We urge a favorable report if amended to add MTC as a member of the Equitech Growth Commission.

SB0699-FIN_MACo_SWA.pdf

Uploaded by: Kevin Kinnally

Position: FWA



Senate Bill 699

*Maryland Technology Development Corporation -
Equitech Growth Fund and Commission*

MACo Position: **SUPPORT**
WITH AMENDMENTS

To: Finance and Budget and Taxation
Committees

Date: March 7, 2023

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS SB 699 WITH AMENDMENTS.**

SB 699 establishes the Equitech Growth Fund and Commission to bolster Maryland's competitiveness as an innovation economy. Local governments, just as the State, have a vested interest in economic development. Accordingly, MACo is offering an amendment to add a county representative to the Commission.

This bill could spark economic growth and promote diverse and vibrant business communities within our counties. This in turn creates jobs, contributes to enhancing quality of life, and expands the local tax base – enabling counties to better provide core services for Maryland families and businesses. Therefore, the State and local governments must work in partnership on these efforts.

The Commission will guide TEDCO in the development of a comprehensive, long-term strategic plan for Maryland's innovation economy to become one of the top 10 in the nation. The Fund will leverage Maryland's diversity, workforce, long-term planning, and strategic investments to ensure Maryland maintains and grows its competitiveness as other states and regions make similar investments in their economies.

The bill aims to advance several goals set forth by state and local leaders, including promoting a more diverse and inclusive economy through a thoughtful and strategic economic development strategy.

SB 699 creates an efficient and effective system for leveraging resources to support Maryland's competitiveness as an innovation economy. A county representative would be a valuable addition for the Commission and its work.

Accordingly, MACo urges a **FAVORABLE WITH AMENDMENTS** report on SB 699.

230306-SB699-Attract-industry-Equitech.pdf

Uploaded by: Christine Hunt

Position: UNF

Christine Hunt and Jay Crouthers
1014 Dockser Drive
Crownsville, MD 21032

March 6, 2023

Maryland General Assembly
Members of the Finance Committee
Annapolis, MD

RE: SB 699 – Maryland Technology Development Corporation – Equitech Growth Fund and Commission

Dear Senators,

We oppose SB 699 and respectfully request that you vote against it.

This is a LOT OF MONEY to spend which will substantially increase the tax payer's burden.

It is hard to believe that there isn't already the capability within the State government, to attract high-growth business and industries that employ skilled employees.

What infrastructure improvements are needed? Are the educational institutions not preparing their students adequately now to enter high-tech workforces?

We have to ask the question, what is currently keeping these industries out of Maryland? Are there policies in place that need to be lifted? What is not desirable about Maryland that they don't consider us as a viable location?

Surely the answers to these questions can be found in some department within the State or local governments, and an existing department could be tasked with the collection and analysis of the information.

The bill is also very vague as to what infrastructure would be improved.

Sincerely,

Christine Hunt and Jay Crouthers

SB 699 Letter of Information.pdf

Uploaded by: Helene Grady

Position: INFO



Maryland

DEPARTMENT OF BUDGET
AND MANAGEMENT

WES MOORE
Governor

HELENE GRADY
Secretary

ARUNA MILLER
Lieutenant Governor

MARC L. NICOLE
Deputy Secretary

SB 699 Maryland Technology Development Corporation – Equitech Growth Fund and Commission

STATEMENT OF INFORMATION

DATE: March 7, 2023

COMMITTEE: Finance

SUMMARY OF BILL: HB 781/SB 699 establishes the “Maryland Equitech Growth Fund” (the Fund) to be administered by the Maryland Technology Development Corporation (TEDCO). The Equitech Growth Fund is a special, non-lapsing fund through which TEDCO shall provide financial assistance to support inclusive growth within emerging and advanced industries through the creation of supportive infrastructure assets and a diverse workforce. The bill includes a \$250 million funding mandate between FY 2024 and FY 2028; the Governor may appropriate up to an additional \$250 million over FYs 2029 through 2033. Finally, the proposal establishes an “Equitech Growth Fund Commission” to develop a long-term strategic plan with 10-year goals for advancing Maryland’s innovation economy.

EXPLANATION: The measure stems from a 2023 Joint Chairman’s Report request directing TEDCO to perform an assessment of Maryland’s competitiveness in cyber, biohealth, and advanced and emerging technologies with a focus on minority participation in these industries. Additionally, the JCR requests recommendations to establish a fund that increases minority representation in the advanced technologies sector. The subsequent proposal directs TEDCO to award grants, investments, loans, and other financial assistance to public, non-profit, or private entities, including institutions of higher education and public-private partnerships in support of this objective. Beyond State appropriations, the Fund must also leverage investment from the private sector and federal sources.

The bill’s funding mandate directs the Governor to appropriate \$15 million in FY 2024 for awards, while requiring additional rounds of funding in future years: \$30 million in FY 2025, \$55 million in FY 2026, and \$75 million in both FY 2027 and 2028. While not mandated, the Governor may also include an additional \$250 million over the following five fiscal years (2029-2033). Total appropriations to the Fund may exceed \$500 million including the \$1 million currently proposed in the Governor’s Allowance.

In addition to submitting annual reports detailing awards from the Fund, TEDCO must also develop a competitive application process and criteria for making awards, monitor each project to assess level of success and economic effects as well as outcomes for the State’s diversity, equity, and inclusion goals. Awards from the fund must align with a set of 10-year goals developed by the Equitech Growth Fund Commission. Members of the Commission must develop a long-term strategic plan in addition to these goals by July 1, 2025. This plan must also include proposed approaches to increase participation of

communities in the innovation economy, create pathways for high-paying jobs, and to increase and expand wealth in minority communities. Depending on when the Commission finalizes its strategy and goals, the Governor may be obligated to appropriate upwards of \$100 million to the Fund before the strategy is available to guide awards.

Beyond the estimated fiscal cost and commitment to capitalizing a program before its core strategy is developed, DBM has the following concerns:

- Programs with a similar goal of building a diverse workforce exist within TEDCO and the Maryland Department of Commerce. For example, the Small, Minority, and Women-Owned Business Account assists minority and women-owned businesses access capital and is estimated to receive at least \$20 million annually beginning in FY 2024. TEDCO’s Minority Pre-Seed Investment fund – which is mandated to receive \$6.2 million in FY 2024 and \$7.5 million annually beginning in FY 2025 – supports investments in emerging technology companies led by entrepreneurs who demonstrate a socially or economically disadvantaged background. The Inclusion Fund supports economically disadvantaged individuals from technology-based companies through capital and nonequity investments. Other programs that support the technology sector include the Biotechnology Investment Tax Credit, the Innovation Investment Incentive Tax Credit, and the Maryland Innovation Initiative.
- Because the proposal relies on a future, undeveloped strategy and goals to guide awards, it is impossible to determine if TEDCO or the State will be able to assess any measurable progress towards increasing diversity in the State’s technology industry. Without targeted and timely goals and clear benchmarks against which these goals can be evaluated, it is unclear whether the scale and type of investment appropriately addresses existing economic development needs.

The Department of Budget and Management (DBM) is charged with submitting a balanced budget to the General Assembly annually and strives to create a structurally balanced budget, in which the growth in spending is less than the growth in revenues. In light of current economic uncertainty and the potential for a downturn, the Department urges caution in passing legislation significantly expanding State required expenditures without offsetting revenues. General fund mandates can have the effect of crowding out the State’s ability to fund staffing, salary adjustments, and in general invest strategically and holistically in State government’s human capital and the infrastructure required to carry out State government’s mission. State government must be intentional, disciplined, and strategic with its allocation of State funding to ensure maximum impact toward priority outcomes.

General Fund Structural Budget Outlook, Fiscal 2024 – 2028 (\$ millions)

	Est. 2024	Est. 20235	Est. 2026	Est. 2027	Est. 2028
Structural Balance	\$337	\$232	\$263	\$529	\$1,113
Adjusted for Blueprint				-\$963	-\$1,207

Department of Legislative Services, January 2023 Fiscal Briefing

For additional information, contact Marc Nicole at (410) 260-7288 or marc.nicole@maryland.gov