

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

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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

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