

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.

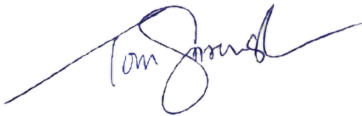
Through SB0699 and the creation of an Equitech resource, Maryland could invest alongside its industry and federal government partners to create “places”, innovation communities, that have the innovation infrastructure necessary to help commercialize our R&D, spawn and sustain startups, train our underserved 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