



House Ways and Means and Appropriations Committees
March 30, 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.

Senate Bill 699, as amended by the Senate, is in the same posture as the crossfile, House Bill 781, as amended by the House. TEDCO supports the legislation, as amended by the House and Senate.

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 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 supports SB 699 and urges a favorable committee report.