



**TESTIMONY PRESENTED TO THE
WAYS AND MEANS COMMITTEE**

**HOUSE BILL – 622 - ECONOMIC DEVELOPMENT – INDUSTRY – 4.0 TECHNOLOGY
GRANT**

FEBURARY 23, 2023

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.

House Bill 622 establishes a new program and fund in the Maryland Department of Commerce. The legislation also enables the Department of Commerce to enter an MOU with select state-chartered corporations, including TEDCO. **TEDCO supports this legislation that is designed to assist small and medium-sized manufactures with purchasing, implementation and employee training of industry advanced technology and related infrastructure to increase productivity, efficiency, and competitiveness.**

As currently drafted, the legislation requires all the funding be used to issue the related grants and loans, without allowing for administrative costs either for Commerce or a state-chartered corporation, should Commerce decide to enter an MOU with that corporation. While the legislation permits TEDCO to enter an MOU to administer the program, TEDCO is unable to do so with existing resources and would need sufficient funding and resources to support the administration of the program.

However, should funding become available, and Commerce and TEDCO enter into an MOU, TEDCO estimates the that the average award amount will range from \$200,000 to \$400,000, with awards going to 25 projects. Over the five-year span of the program, TEDCO estimates about 125 projects would be awarded, totaling \$50 million and having a demonstrative impact on the manufacturing industry.

For these reasons, **TEDCO supports HB 653.**