



MARYLAND TECH COUNCIL

TO: The Honorable Vanessa E. Atterbeary, Chair
Members, House Ways and Means Committee
The Honorable Lily Qi

FROM: Andrew G. Vetter
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DATE: February 23, 2023

RE: **SUPPORT** – House Bill 622 – *Economic Development – Industry 4.0 Technology Grant Program*

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** for House Bill 622.

House Bill 622 establishes the Industry 4.0 Technology Grant Program in the Department of Commerce to provide grants to certain small and medium-sized manufacturing enterprises to assist those manufacturers with implementing new Industry 4.0 technology or related infrastructure. The bill also establishes the Industry 4.0 Technology Grant Fund as a special, nonlapsing Fund and requires the Governor to include in the budget bill for Fiscal Years 2024-2028 an appropriation of \$10,000,000 to the Fund.

The MTC was pleased to serve on the workgroup that led to this proposed legislation. If Maryland is to remain competitive with surrounding jurisdictions, we must embrace Industry 4.0, which is a reference to a Fourth Industrial Revolution of manufacturing that integrates new technologies, such as the Internet of Things, cloud computing and analytics, and artificial intelligence and machine learning into production facilities and throughout operations. Smart factories are equipped with advanced sensors, embedded software, and robotics that collect and analyze data and allow for better decision making. For Maryland to be at the forefront of Industry 4.0, we must make strategic investments to incentivize the industry and offset the costs of building and upgrading manufacturing facilities. Creating such an incentive program is exactly what this bill does.

For these reasons, we urge a favorable report.