

Dear Senate Finance Committee:

I am writing this letter to strongly urge you to vote YES on Maryland Senate Bill: 0765 — Economic Development –Business Diversity Incubator. As you likely are aware, this bill will allow the allocation of resources in the form of grants for the development of incubators. SB0765 authorizes the governor to include in the annual budget for fiscal years 2026-2031 an appropriation of \$5,000,000 to the Business Diversity Incubator Fund. These funds will be donated and used solely for the development of diverse and effective business incubators. The approval of the bill would be a substantial step towards advancing economically impoverished communities: a pivotal objective of Governor Wes Moore.

Foremost, an incubator assists entrepreneurs in establishing their business while providing guidance, business connections along with management training and, when sustainable, an office space to facilitate business. This bill would award an incubator organization between \$100,000 - \$400,000 for its development and long-term sustainability. The grant money will be awarded to qualified incubators who are selected after a competitive application process. Those incubators that are managed by socially or economically disadvantaged individuals, have experience supporting companies in the start-up stage, and have an established presence in underserved communities will have priority acceptance for the grant application. Therefore, the grant money should reasonably be used for its intended purpose.

The development of incubators is of such vital importance because of the growing number of entrepreneurs in the United States today. As mentioned, those incubators which are already established and assisting economically struggling communities will receive priority consideration for the grant. In these communities that are socially and economically disadvantaged, the number of entrepreneurs is continuously increasing. Many men and women in these communities may not have the qualifications, skills, or desire to maintain a standard job, but they have profound ideas and business models. With the assistance of an incubator these entrepreneurs and their businesses models can begin to burgeon into prosperous companies, effecting the development of impoverished communities and its members.

In closing, incubator development is very important for our communities, and the passage of this bill may very well save thousands of start-up companies in jeopardy of failing due to lack of support. An incubator would also encourage entrepreneurship and the development of start-up companies. Many communities will benefit from an alternative to the standard working lifestyle; with the help of an incubator, they will be able to reap the benefits that comes from being a successful business owner. In closing, I ask that you take this letter into consideration and vote YES on Senate Bill 0765.

Thank You