

**SB473\_USM\_FAV.pdf**

Uploaded by: Andy Clark

Position: FAV



**SENATE FINANCE COMMITTEE**

**Senate Bill 473**

**Economic Development - Entrepreneurial Innovation Programs - Establishment  
(Pava LaPere Legacy of Innovation Act of 2024)**

**February 27, 2024**

**Favorable**

Chair Beidle, Vice Chair Klausmeier and committee members, thank you for the opportunity to share our thoughts on Senate Bill 473. The bill establishes the Pava LaPere Innovation Acceleration Grant Program and the Baltimore Innovation Initiative Pilot Program in the Maryland Technology Development Corporation (TEDCO).

The University System of Maryland (USM) is comprised of twelve distinguished institutions, and three regional centers. We award eight out of every ten bachelor's degrees in the State. Each of USM's 12 institutions has a distinct and unique approach to the mission of educating students and promoting the economic, intellectual, and cultural growth of its surrounding community. These institutions are located throughout the state, from Western Maryland to the Eastern Shore, with the flagship campus in the Washington suburbs. The USM includes three Historically Black Institutions, comprehensive institutions and research universities, and the country's largest public online institution.

The Pava LePere Innovation Acceleration Grant Program aims to foster growth in the entrepreneurial innovation ecosystem by providing \$50,000 grants to startups affiliated with certain postsecondary institutions. The Baltimore Innovation Initiative Pilot Program aims to provide incentives for and grow technology start-up companies founded by students or faculty at eligible universities, in collaboration with those universities.

The USM strongly supports growth in the entrepreneurial innovation ecosystem through programs like the Baltimore Innovation Initiative Pilot Program, which builds on success from pilot programs with Bowie State University and Frostburg State University under the Maryland Innovation Initiative (MII), and programs like the Pava LePere Innovation Acceleration Grant Program.

USM currently supports a diverse pool of System innovators through dozens of resources and various capital sources, but demand continues to outstrip the supply of innovative individuals with potential to unlock through venture creation and development. USM coordinates internal resources, in particular capital resources, to ensure that the impact of scarce capital is maximized. USM also coordinates with TEDCO and partners and looks forward to continuing to do so in the context of any of these additional funding programs.

Thank you for the opportunity to offer our support for Senate Bill 473.



Contact: Susan Lawrence, Vice Chancellor for Government Relations [slawrence@usmd.edu](mailto:slawrence@usmd.edu)

# **SB0473 Sponsor Testimony.pdf**

Uploaded by: Brad Fallon

Position: FAV



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**SPONSOR TESTIMONY**  
**SENATE BILL 473**

Chair Beidle, Vice Chair Klausmeier, and Distinguished Members of the Senate Finance Committee,

On behalf of Governor Wes Moore, I respectfully request a favorable report on SenateBill 473, the Pava LaPere Legacy of Innovation Act of 2024. This legislation seeks to honor the inspiring life and legacy of Pava LaPere while continuing her work of fanning the flames of Maryland’s innovation ecosystem.

Maryland is home to a bountiful supply of world-class academic, research, and commercial institutions that are reimagining the way that society addresses some of its most pressing issues. Maryland is home to Johns Hopkins University, Morgan State University, the National Institute of Health, NASA Goddard Space Flight Center, and dozens of other institutions doing ground-breaking research.

While Maryland’s economy has lagged in recent years, a consistent bright spot in our state’s economic successes has been found in the research and development of new technologies. According to the National Science Foundation, Maryland ranks 1st in the nation in academic research and development spending per capita, and 5th in academic R&D per \$1,000 of GDP<sup>1</sup>. Further, Maryland ranks in the top 5 states for research and development as a proportion of total GDP at 5.38%, far above the National Average of 3.1%.<sup>2</sup> However, Maryland performs significantly below the national average when it comes to patents awarded per 1,000 individuals in science and engineering occupations. The national average is 22.45 and Maryland performs at just 10.74, ranking 38th among states.<sup>3</sup> This contrast suggests that, despite a great deal of R&D occurring in the state, research technologies are being commercialized elsewhere.

In October of 2023, the federal Government provided Maryland with another incredible asset to drive economic growth by designating the Baltimore metropolitan region as a Tech Hub, allowing the city to compete for billions of dollars in investment and potentially bringing tens of thousands of jobs to the region. This creates an incredible opportunity for Maryland to bolster its position as one of the great tech capitals in the United States. Investments made now to bolster our innovation ecosystem will pay off for years to come as more companies start up and grow here in Maryland.

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<sup>1</sup> <https://nces.gov/indicators/states/indicator/academic-rd-per-1000-state-gdp>

<sup>2</sup> <https://nces.gov/indicators/states/indicator/rd-performance-to-state-gdp>

<sup>3</sup> <https://nces.gov/indicators/states/indicator/patents-per-1000-se-occupation-holders>



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Senate Bill 473 seeks to make targeted investments to bolster Maryland's innovation ecosystem and to enhance the Baltimore Tech Hub's competitiveness when applying for the first round of funding from the Economic Development Administration ("EDA"). In particular, the bill:

**1. Establishes the Pava LaPere Innovation Acceleration Grant Program**

This proposal would create a grant program and fund at the Technology Development Corporation ("TEDCO") to provide \$50,000 grants to Baltimore-based student technology-focused startup companies. The program was funded in the Governor's FY2025 budget proposal at \$500,000 annually and allows TEDCO to utilize up to 10% of the total annual appropriation for expenses associated with administering the Program. This idea originated from Pava LaPere herself and was brought to the attention of the Governor's office by Johns Hopkins University.

**2. Establishes the Baltimore Innovation Initiative ("BII") to provide access to capital and wraparound services for technology startups associated with public or private colleges or universities located within the Baltimore Metropolitan-Statistical Area ("MSA"). BII will be structured as a pilot program within the [Maryland Innovation Initiative](#) ("MII") Program at TEDCO and be funded at \$1.5 million in Fiscal Year 2025 and Fiscal Year 2026. This program is modeled after the Maryland Innovation Initiative University Partnership Pilot Program established in 2021 via [Senate Bill 732](#).**

The BII will be required to collaborate with eligible institutions to identify and support entrepreneurial initiatives, industry partnerships, and commercialization opportunities related to technology. BII will work with each participating university to determine needs, challenges, and opportunities to promote, encourage, and facilitate innovation, entrepreneurship, and the commercialization of university-based research or innovative ideas. BII shall develop criteria to review, evaluate, and rate project proposals for funding under the pilot program. In-line with the focus of the Baltimore Tech Hub mission, artificial intelligence and life science oriented businesses shall receive prioritization under the Program.

To help offset the costs associated with the establishment of these programs, the bill seeks to repeal a \$1 million mandated appropriation to the Business Telework Assistance Grant Program. This program has been unutilized in recent years which has prompted the Administration to propose this alternative use of funds in order to receive the highest return on investment.

**STATE OF MARYLAND**  
**OFFICE OF THE GOVERNOR**



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In all, these programs channel the mission of Pava LaPere and continue her work of supporting tech startups and innovation in the Baltimore region and statewide. Given this, the Office of the Governor respectfully requests a favorable report.

Sincerely,

Brad Fallon  
Deputy Legislative Officer  
Office of Governor Wes Moore

**SB0473\_MACC\_FAV.pdf**

Uploaded by: Brad Phillips

Position: FAV



**Senate Finance Committee**

February 27, 2024

**SB 473 - Economic Development - Entrepreneurial Innovation Programs -  
Establishment (Pava LaPere Legacy of Innovation Act of 2024)**

**Position: Favorable**

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The Maryland Association of Community Colleges (MACC), representing Maryland's 16 community colleges, strongly supports **SB 473**, which seeks to provide financial assistance to technology-based start-ups founded by students and faculty of qualifying institutions in the Baltimore Metropolitan Statistical Area. The financial assistance would be granted under two newly established programs, the Pava LaPere Innovation Acceleration Grant Program, and the Baltimore Innovation Initiative Pilot Program.

Maryland's community colleges stand ready to support the state's strategic goals in addressing the workforce shortage and appreciate the inclusion as eligible institutions under the bill. Many community college students face financial barriers that hinder their ability to pursue entrepreneurship. By establishing these two programs, Maryland is empowering our local students to build talent pipelines for the region's technology sector. Dedicated financial assistance programs will also complement existing support services offered at community colleges, such as mentorship programs and incubators, to give students and faculty members even greater opportunities.

Establishing these programs will fuel innovation, empower student and faculty entrepreneurs, build talent pipelines, stimulate economic growth, and enhance Maryland's overall entrepreneurial ecosystem. By investing in these startups, the region can position itself for long-term success and competitiveness in the technology sector. Accordingly, MACC urges the Committee to issue a **FAVORABLE** vote on **SB 473**.

For questions, please contact Brad Phillips ([bphillips@mdacc.org](mailto:bphillips@mdacc.org)) or Drew Jabin ([djabin@mdacc.org](mailto:djabin@mdacc.org)).

# **CE Ball 2024 - SB 473 - Pava La Pere Legacy of Inn**

Uploaded by: County Executive Calvin Ball

Position: FAV



## HOWARD COUNTY OFFICE OF COUNTY EXECUTIVE

3430 Courthouse Drive ■ Ellicott City, Maryland 21043 ■ 410-313-2013 Voice/Relay

Calvin Ball  
Howard County Executive  
cball@howardcountymd.gov

www.howardcountymd.gov  
FAX 410-313-3051

February 27, 2024

Senator Pamela Beidle, Chair  
Senate Finance Committee  
Miller Senate Office Building, 3 East  
Annapolis, Maryland 21401

Re: **TESTIMONY OF SUPPORT**: SB 473: Pava LaPere Legacy of Innovation Act of 2024

Dear Chair Beidle, Vice Chair Klausmeier, and Members of the Senate Finance Committee,

I am pleased to write in support of Senate Bill 473. I appreciate Governor Moore for his leadership in introducing the Pava LaPere Innovation Acceleration Grant Program and the Baltimore Innovation Initiative Pilot Program which will provide funding for technology start-up companies founded by students or faculty members of higher education institutions.

Small businesses are the economic engine of our State and make our communities thrive. In 2021, we established "HoCo Higher," a transformative program providing access, resources, and fostering connecting with industry experts and budding start-up companies. Since the program launched, five cohorts of more than 60 businesses have graduated with nearly \$300,000 in grant funding for these emerging businesses. This program is not only transformational for small businesses and entrepreneurs, but it provides critical support that is required in building more opportunities for underserved markets in Howard County. We have seen firsthand benefits of this program in ensuring that our local, small, women, and minority-owned businesses can thrive and be successful.

This spirit of innovation also lies within Howard Community College as they plan their Workforce Development and Skilled Trades Center. During my annual State of the County address last year, I announced an additional \$10 million commitment in capital funding for this transformative center. It will be a beacon of innovation and increase our economic vitality statewide by providing practical training in cybersecurity, construction trades, green technology, and more. We know that our future is in our workforce.

As County Executive and a former educator, I am committed to promoting initiatives that will support students, expand economic growth and provide more opportunities for our small businesses. I welcome your support and urge a favorable report on Senate Bill 473.

All the Best,

Calvin Ball  
Howard County Executive

**BaltimoreCounty\_FAV\_SB0473.pdf**

Uploaded by: John Olszewski

Position: FAV

JOHN A. OLSZEWSKI, JR.  
*County Executive*



JENNIFER AIOSA  
*Director of Government Affairs*

AMANDA KONTZ CARR  
*Legislative Officer*

WILLIAM J. THORNE  
*Legislative Associate*

**BILL NO.:**           **SB 473**

**TITLE:**               Economic Development – Entrepreneurial Innovation Programs  
– Establishment (Pava LaPere Legacy of Innovation Act of  
2024)

**SPONSOR:**         President Ferguson (By Request of the Administration)

**COMMITTEE:**      Finance

**POSITION:**        **SUPPORT**

**DATE:**             February 27, 2024

Baltimore County **SUPPORTS** Senate Bill 473 – Economic Development – Entrepreneurial Innovation Programs – Establishment (Pava LaPere Legacy of Innovation Act of 2024). This legislation establishes two different programs with the Maryland Technology Development Corporation; the Pava LaPere Innovation Acceleration Grant Program and the Baltimore Innovation Initiative. Together these programs both honor the life and legacy of Pava LaPere as an innovator and continue the investment into our region’s growth as a tech hub.

The Pava LaPere Innovation Acceleration Grant Program would provide student tech startups with the early-stage capital necessary to flourish in the Baltimore region. The Baltimore Innovation Initiative would provide access to capital and wraparound services for startups associated with academic institutions in the Baltimore region. Towson University and the University of Maryland-Baltimore County, both located in Baltimore County, have established start-ups and accelerators that have seen tremendous success and would benefit from the proposed grant programs included in the legislation. Baltimore County supports initiatives that provide opportunities to young people to continue the growth of the Baltimore region’s tech industry.

Accordingly, Baltimore County requests a **FAVORABLE** report on SB 473 from the Senate Finance committee. For more information, please contact Jenn Aiosa, Director of Government Affairs at [jaiosa@baltimorecountymd.gov](mailto:jaiosa@baltimorecountymd.gov).

**SB 473\_PDF\_LaPere Legacy Act\_Support.pdf**

Uploaded by: Kevin Anderson

Position: FAV



Wes Moore | Governor  
Aruna Miller | Lt. Governor  
Kevin A. Anderson | Secretary of Commerce  
Signe Pringle | Deputy Secretary of Commerce

**DATE:** February 27, 2024  
**BILL NO:** Senate Bill 473  
**BILL TITLE:** Economic Development - Entrepreneurial Innovation Programs - Establishment (Pava LaPere Legacy of Innovation Act of 2024)  
**COMMITTEE:** Senate Finance  
**POSITION:** Support

The Maryland Department of Commerce (Commerce) supports Senate Bill 473 - Economic Development - Entrepreneurial Innovation Programs - Establishment (Pava LaPere Legacy of Innovation Act of 2024).

### **Bill Summary:**

Senate Bill 473 establishes the Pava LaPere Innovation Acceleration Grant Program as well as the Baltimore Innovation Initiative Pilot Program (BII), both within the Maryland Technology Development Corporation (TEDCO). The Pava LaPere Innovation Acceleration Grant Program will foster growth of the entrepreneurial innovation ecosystem in Maryland by providing student technology startups with much needed early-stage capital. To be eligible, the start-up companies must be founded by students or faculty members of colleges and universities, and have their place of business in the Baltimore Metropolitan Statistical Area. The program will award grants of \$50,000 to each qualifying applicant.

BII will provide access to capital as well as wraparound services to technology startups founded by students or faculty from colleges and universities located in the Baltimore metropolitan area. The program provides for a preference for products or services that align with the goals of integrating artificial intelligence or machine learning in healthcare or biotechnology, and project proposals must foster an equitable and inclusive entrepreneurial development at the universities.

The legislation also repeals mandated funding levels for the Business Telework Assistance Grant Program administered by Commerce.

### **Background:**

The U.S. Department of Commerce Economic Development Administration (EDA) Tech Hubs Program was created to invest directly in regions with the assets, resources, capacity, and potential to transform into globally competitive innovation centers in approximately 10 years, while catalyzing the creation of good jobs for American workers at all skill levels, equitably and inclusively. In October 2023, Baltimore was one of 31 Tech Hub designees named by the EDA in Phase 1 and invited to submit a Phase 2 proposal. In Phase 2, EDA will award implementation grants to 5-10 Designated Tech Hubs, with each of those Hubs receiving approximately \$40-\$70 million across approximately 3-8 projects. This is a highly competitive process, and state support is critical to the success of the Phase 2 proposal, which is being led by the Greater Baltimore

Committee. The new programs created through Senate Bill 473 will support Baltimore's application for Phase 2 designation and funding, bringing an extraordinary amount of funding and support for new jobs and advancement in emerging industries to the region.

**Rationale:**

This legislation seeks to make strategic investments in the Baltimore Metropolitan Statistical Area's innovation ecosystem to 1) create a pipeline of innovation commercialization; and 2) enhance the competitiveness of the Baltimore Tech Hub Consortium's Phase 2 funding application to the Economic Development Administration.

Maryland ranks highly in both innovation and R&D but has lagged behind on metrics related to technology transfer, technology commercialization and entrepreneurial activity. These programs will encourage both students and faculty at colleges and universities to take innovation and technologies from research to the next stage and build new companies. The BII will build upon the success of TEDCO's Maryland Innovation Initiative to best utilize Maryland's innovation assets and propel our economy forward. The funding set forth in this legislation will be a direct State commitment to the Baltimore Tech Hub's application for funding, ensuring that state dollars are spent where they can receive the highest return on investment.

Commerce respectfully requests a favorable report on Senate Bill 473.



**RJR-(Inncuvate) SB473.HB582Letter (SUPPORT)(2024).**

Uploaded by: Mark Lawrence

Position: FAV

**February 27, 2024**

Senator Pam Beidle, Chair  
Senator Kathy Klausmeier, Vice-Chair  
Senate Finance Committee  
Miller Senate Office Building, 3E  
Annapolis, Maryland 21401

**Re: *Senate Bill 473/House Bill 582: Economic Development - Entrepreneurial Innovation Programs - Establishment (Pava LaPere Legacy of Innovation Act of 2024) - SUPPORT***

Dear Madame Chair and Members of the Senate Finance Committee:

Thank you for the opportunity to submit this letter of support, on behalf of Inncuvate Consulting LLC., regarding Senate Bill 473/House Bill 582, entitled: Economic Development - Entrepreneurial Leave Tax Credit.

As written, SB473 will establish the Pava LaPere Innovation Acceleration Grant Program in the Maryland Technology Development Corporation (TEDCO) and the Baltimore Innovation Initiative Pilot Program within the Maryland Innovation Initiative of the Corporation.

The creation of the Pava LaPere Innovation Acceleration Grant Program will provide a new and unique incentive to cultivate and expand the state's entrepreneurial and innovation eco-systems by offering financial support to start-up technology companies founded by local students or faculty members of a post-secondary institution in the Baltimore region. Similarly, the Baltimore Innovation Initiative Pilot Program will also promote Maryland's growing start-up tech companies founded by local students or faculty talent. The program will have specific goals of integrating AI or machine learning in both the health care and biotechnology sectors, statewide.

Here at Inncuvate, our mission is to build systems that provide more opportunities to create wealth, bridge economic gaps, and develop more serial entrepreneurs. We partner with local stakeholders to fuel creativity and ambition. We specialize in creating purpose-built programs and places that attract the best talent and create an environment that encourages innovation, collaboration, and the commercialization of new ideas.

We are focused on the future of work and entrepreneurial ecosystems as we believe in the power of technology-based enterprises as anchors in economic empowerment and community growth engines.

The State of Maryland needs more entrepreneurs to help solve problems in our local communities and ultimately grow our economy. The establishment of both these programs will foster a diverse community of entrepreneurs while creating an opportunity for new and innovative economic development around the state's prestigious community colleges and private and public universities.

The passage of this SB473/HB582 will also support the Inncuvate's mission and goals in the advancement and growth of Maryland's next generation of entrepreneurs and start-up companies.

We applaud Governor Moore and his Administration for bringing this legislation forward. It is for these reasons that we strongly support SB473/HB582 and urge this committee to give this legislation a FAVORABLE report.

Sincerely,



Mark Lawrence  
Founder/ Managing Partner  
Inncuvate

# **SB473 - Support Written Testimony.pdf**

Uploaded by: Michael Huber

Position: FAV

**TO:** The Honorable Pamela Beidle, Chair  
*Finance Committee*

**FROM:** Christy Wyskiel  
*Senior Advisor to the President, Johns Hopkins  
Technology Ventures*

**SB473**  
**Favorable**

**DATE:** February 27, 2024

**RE:** SB473 – Economic Development – Entrepreneurial Innovation Programs – Establishment  
(Pava LaPere Legacy of Innovation Act of 2024)

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Johns Hopkins University and Medicine urges a **FAVORABLE** report on **Senate Bill 473 - Economic Development - Entrepreneurial Innovation Programs - Establishment (Pava LaPere Legacy of Innovation Act of 2024)**.

I oversee technology commercialization and entrepreneurship programs at Johns Hopkins University (JHU). Among my charges since 2014 has been the growth of a robust innovation ecosystem around campus, specifically through efforts to encourage local startup company creation. Indeed, those efforts have included the growth of a robust innovation ecosystem around our campuses, specifically through efforts to encourage local startup company creation. In the decade from 2014 to 2023, Johns Hopkins startups based in Baltimore raised \$1 billion and other Maryland companies an additional \$900 Million. We are aware of 1,300 Maryland jobs as a result of these companies. This progress is the direct result of investment by Maryland’s universities and the State of Maryland. Among the most influential investments have been direct funding for technology development/venture creation via the Maryland Innovation Initiative grants (administered by TEDCO) and the growing collection of entrepreneur-focused resources and programs offered on and around campuses (like our FastForward program, UpSurge, TEDCO, etc.).

Senate Bill 473, the Pava LaPere Legacy of Innovation Act of 2024, will build on this progress and bring additional investment to the Baltimore Metropolitan Statistical Resource Area’s innovation ecosystem in two key ways.

First, Senate Bill 473 will create a pipeline of innovation commercialization. University students are a promising pipeline of startup founders who can change the Baltimore skyline. The Pava LaPere Acceleration Grant Program honors the life and legacy of Pava LaPere who worked to bolster Maryland’s innovation ecosystem while creating new opportunities for student entrepreneurs to startup local businesses. This grant program will expand TEDCO’s programs to support student startups, specifically, via \$50,000 grants to Baltimore-based student technology-focused startup companies. As a result of this program, local universities like ours will be able to produce more local tech companies, bring in more investment capital, create more family-advancing jobs, and catalyze additional indirect economic activity.

Second, Senate Bill 473 will enhance the competitiveness of the Baltimore Tech Hub Consortium’s Phase 2 funding application to the Economic Development Administration. The legislation establishes the Baltimore Innovation Initiative (“BII”) to provide access to capital and wraparound services for technology startups associated with public or private colleges or universities located within the

Baltimore MSA. The BII will build upon the progress of the Maryland Innovation Initiative to best utilize Maryland's innovation assets and propel our economy forward. The funding set forth in this legislation will be a direct state commitment to the Baltimore Tech Hub's application for funding, ensuring that state dollars are spent where they can receive the highest return on investment.

This bill is an important step for the State of Maryland as it leans into its assets and creates economic growth and opportunity based on technology company creation.

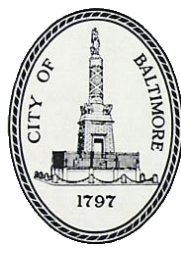
Johns Hopkins University requests a **FAVORABLE** report for **SB473**.

Christy Wyskiel  
Senior Advisor to President Daniels, Innovation and Entrepreneurship  
Head of Johns Hopkins Technology Ventures

**SB0473-FIN-SUPP.pdf**

Uploaded by: Nina Themelis

Position: FAV



BRANDON M. SCOTT  
MAYOR

*Office of Government Relations  
88 State Circle  
Annapolis, Maryland 21401*

**SB0473**

February 27, 2024

**TO:** Members of the Senate Finance Committee

**FROM:** Nina Themelis, Director of Mayor's Office of Government Relations

**RE:** Senate Bill 473 - Economic Development - Entrepreneurial Innovation Programs - Establishment (Pava LaPere Legacy of Innovation Act of 2024)

**POSITION: SUPPORT**

Chair Beidle, Vice Chair Klausmeier, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 473.

SB 473 is in direct alignment with Baltimore City's Comprehensive Economic Strategy, "[Baltimore Together](#)," which delineates sector-specific strategies to bolster the growth of Life Sciences, Bio-Health, and Technology Sectors in Baltimore. We are proud to be a part of the Baltimore Tech Hub Consortium of partners. BDC sees this effort and legislation directly tied to the health and vitality of the Bio-tech, Med-tech, and tech-enabled life-sciences businesses and ventures of Baltimore City.

SB 473 seeks to make strategic investments according to the new Baltimore Tech Hub designation within the [Baltimore Metropolitan Statistical Area's](#) innovation ecosystem to accomplish three primary goals.

Firstly, it honors the entrepreneurial legacy of Pava LaPere who worked to bolster Maryland's innovation ecosystem while creating new opportunities for student entrepreneurs to study and start up businesses. The Pava LaPere Acceleration Grant Program will be housed at the Technology Development Corporation ("TEDCO") and provide \$50,000 grants to Baltimore-based student technology-focused startup companies.

Pava, a 2019 John Hopkins University (JHU) graduate, had an unwavering conviction, and laid the groundwork for a JHU's program that eventually evolved into FastForward U, the university's student innovation hub. Her bold vision centered on the belief that Hopkins students could not



only change the world but also make a significant impact on Baltimore by actively engaging in the creation of companies. This legislation serves as meaningful way to acknowledge and honor the enduring impact Pava had on Baltimore and our Tech community.

Additionally, the legislation introduces the Baltimore Innovation Initiative (BII) as a component of the Maryland Innovation Initiative. The primary goal of BII is to offer technology startups associated with public or private colleges or universities within the Baltimore Metropolitan Statistical Area (MSA) access to capital and comprehensive support services.

Moreover, SB 473 secures crucial funding and ensures specific allocations for the designated programs. It advocates for the inclusion of these programs in the annual budget bill during specified fiscal years and aims to optimize Maryland's fiscal investments. SB 473 demonstrates legislative commitment by providing consistent financial support for these vital programs through the approval and allocation processes of the MD General Assembly.

Both the Pava Lapere Innovation Acceleration Grant Program and the Baltimore Innovation Initiative Pilot Program are designed to incentivize students and faculty from eligible universities in the Baltimore MSA. This strategic approach seeks to enhance the appeal of Baltimore City and the surrounding region as an attractive hub for conducting business.

For these reasons, the BCA respectfully request a **position** report on SB 473.

**FINAL - SB473 - FIN hearing - Establishment (Pava**

Uploaded by: Troy LeMaile-Stovall

Position: FAV



## **TESTIMONY PRESENTED TO THE FINANCE COMMITTEE**

### **SENATE BILL 473 - ECONOMIC DEVELOPMENT - ENTREPRENEURIAL INNOVATION PROGRAMS - ESTABLISHMENT (PAVA LAPERE LEGACY OF INNOVATION ACT OF 2024)**

**FEBRUARY 27, 2024  
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. TEDCO appreciates the opportunity to provide testimony on this legislation and urges favorable consideration of SB 473.

An Administration bill, SB 473 establishes the Pava LaPere Innovation Acceleration Grant Program and the Baltimore Innovation Initiative Pilot Program within TEDCO and rescinds an underused, mandated \$1,000,000 appropriation for the Business Telework Assistance Grant Program.

#### **Background & Baltimore-Towson-Columbia MSA Tech Hub Impact**

Established in the memory of Baltimore entrepreneur and CEO Pava LaPere, an influential and respected thought leader in the Maryland innovation ecosystem, the programs established by SB 473 are designed to support the recent announcement of the US Economic Development Administration's (EDA) Tech Hub designation of the Baltimore-Columbia-Towson Metropolitan Statistical Area (Baltimore-Columbia-Towson MSA), which includes Baltimore City, Anne Arundel, Baltimore, Carroll, Cecil, Harford, Howard, and Queen Anne's Counties. TEDCO is an active member in the Baltimore-Columbia-Towson MSA Tech Hub Consortium, led by the Greater Baltimore Committee, and is committed to working with our consortium partners to strengthen Maryland's competitiveness as a global economic leader in artificial intelligence and biotechnology, while promoting an equitable innovation economy.

The Baltimore-Columbia-Towson MSA's Tech Hub designation qualifies the region to participate in Phase 2 of EDA's Regional Technology and Innovation Hubs (Tech Hubs) program and compete with 30 other states for about \$70 million in federal funding. As part of the Phase 2 application process, designated Tech Hubs must show a minimum 10 percent match (\$7 million) with their application. The TEDCO programs established under SB 473 would support the Tech Hub and serve as part of the EDA Tech Hub Phase 2 match requirement and on-going financial commitment to the initiative. Maryland is competing with 30 other applications, across the country, for this federal funding.

#### **Pava LaPere Innovation Acceleration Grant Program**

TEDCO was deeply saddened to learn of the tragic passing of Pava LaPere late last year. Pava was part of the TEDCO family and a leader in the Maryland ecosystem. As a young entrepreneur, Pava was an exceptional model of effectively utilizing TEDCO services to build and scale her company, EcoMap Technologies, Inc. (EcoMap). TEDCO engaged Pava in 2020 when EcoMap won the bid to develop an artificial intelligence-enabled platform for gathering information about Maryland's entrepreneurial resources and funding, now known as the Maryland Entrepreneur Hub. In 2021, EcoMap successfully applied for a Rural and Underserved Business Recovery from Impact of COVID-19 (RUBRIC) Grant and took part in TEDCO's Loaned Executive Program. Throughout the years, Pava and EcoMap participated in TEDCO's various Entrepreneur & Ecosystem Empowerment (E3) programs and as EcoMap matured,

TEDCO made investments of \$500,000 in 2022 and \$750,000 in 2023 through our Seed Fund into EcoMap. Pava was a tireless advocate and champion of entrepreneurship, and TEDCO is honored to be the implementing agency for the Pava LaPere Innovation Acceleration Grant Program.

This program, administered by TEDCO, will make available \$50,000 to qualifying technology-based start-up companies founded by students or faculty members of post-secondary institutions in the Baltimore-Towson-Columbia area. These grant funds will be used, in part, to support costs associated with planning, development, regulatory compliance, and/or other technical assistance related to establishing the entrepreneur's company. This program will encourage and support founders with Pava's entrepreneurial spirit and passion by providing financial support to make their ideas into reality.

### **Baltimore Innovation Initiative (BII) Pilot Program**

Established by SB 473, BII, a two-year Maryland Innovation Initiative (MII) pilot program, supports technology commercialization for colleges and universities in the Baltimore-Columbia-Towson MSA prioritizing products or services aimed at integrating artificial intelligence or machine learning in health care and biotechnology sectors. This program is based on the successful MII University Partnership Pilot Program model that expanded eligibility of MII to Bowie State and Frostburg State Universities.

MII supports technology commercialization efforts and provides company formation investments to Maryland's five research institutions. With the pilot program created by SB 473, twenty higher education institutions would be eligible for BII, including comprehensive four-year institutions and community colleges. Like the main MII program, institutions participating in BII would be required to pay an annual contribution to participate. However, the \$50,000 annual requirement for BII is less than the \$100,000 or \$200,000 to participate in MII. **Importantly, funding for this program also supports the federal Baltimore-Columbia-Towson MSA Tech Hub Initiative.**

### **Business Telework Assistance Grant Program**

As part of the legislation, costs associated with the Pava LaPere Innovation Acceleration Grant Program and Baltimore Innovation Initiative (BII) Pilot Program are partially offset with the elimination of mandated funding of the Business Telework Assistance Grant Program. The Business Telework Assistance Grant Program, established in 2021, was designed to support businesses implement telework policies. It is our understanding that this program is under-utilized, with little to no participation. Elimination of the mandated funding will have minimal impact on small businesses while freeing up these funds to be used to support Maryland entrepreneurs and small business start-ups.

### **TEDCO Comments**

It is important to note that while TEDCO strongly supports the Baltimore-Columbia-Towson MSA Tech Hub designation and application, we know innovation in Maryland is not limited strictly to those regions. TEDCO is committed to continuing to improve, grow, and evolve our programs to provide best in class support to the ecosystem across the state, and are honored to have these additional programs added to TEDCO's suite of programs. TEDCO's unique programs and initiatives provide an avenue to both assist in the development of the Tech Hub within the Baltimore MSA and to facilitate a statewide pipeline to support growth in every stage of development of the Tech Hub. We are committed to working with the consortium and our partners to utilize the Tech Hub initiative as a catalyst for new partnerships to promote and grow economic growth in the Baltimore MSA and across the state.

TEDCO has some suggested clarifying amendments to SB 473 with which we are working with the Governor's office. We look forward to working with the Committee on the suggested changes. **TEDCO supports SB 473 and urges passage of this important legislation.**

# **Pava LePere Legacy of Innovation Act SB473.pdf**

Uploaded by: Walter Donoughe

Position: FAV



February 27, 2024

Chair Pamela Beidle  
3E Miller Senate Office Building  
11 Bladen Street  
Annapolis, MD 21401  
Position: **Support**

## **Testimony in Favor of The Pava LePere Legacy of Innovation Act (SB473)**

Before the Senate Finance Committee  
On behalf of the Maryland Economic Council

Chair Beidle, Vice Chair Klausmeier, and Members of the Committee, we testify today in support of **Senate Bill 473**, which provides much-needed support for local technology startups to develop their businesses and drive Maryland's economic growth.

Governor Moore established the Maryland Economic Council (MEC) in 2023 to provide analysis and recommendations for implementing economic policies that achieve growth, diversify our workforce, and merge our state's assets and growing industries. Our mission includes identifying and tracking underlying economic factors that impact Maryland's business climate, including high-growth business sectors, and evaluating Maryland's regulatory environment and economic policies compared to competing states.

Senate Bill 473 will create two entrepreneurial innovation programs—the Pava LePere Innovation Acceleration Grant Program and the Baltimore Innovation Initiative Pilot Program (BII)—within the Maryland Technology Development Corporation (TEDCO). The Pava LePere Innovation Acceleration Grant Program will award \$50,000 grants to tech start-up companies that are A) founded by Maryland college students and faculty members, and B) located in the Baltimore Metropolitan Statistical Area. The BII will connect tech start-ups founded by college students/faculty located in the Baltimore Metropolitan Area to available capital and wraparound services, further supporting the equitable development of these businesses.

Through the MEC's research and discussion, we have identified the tech sector as the highest growth sector in which to invest. For each job created in the software, technology, and life sciences industries, five more jobs are indirectly added to the local economy.<sup>1</sup> Venture-backed businesses also demonstrate tremendous levels of growth, as they create jobs approximately eight times faster than other firms in the private sector.<sup>2</sup> States like Massachusetts, Missouri,

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<sup>1</sup> Enrico Moretti, [The New Geography of Jobs](#)

<sup>2</sup> WRAL TechWire, [Report: Employment growth 8x faster at VC-backed startups than other firms](#)

Pennsylvania, and Georgia have tripled or quadrupled their investment in these sectors, creating thousands of jobs in the process.<sup>3</sup> The data is clear—tech investments generate incredibly strong returns.

Three of the world's most successful tech companies (Google, Meta, and Microsoft) were founded by college students. Given that Maryland has the highest concentration of scientists and engineers in the United States, and together with Virginia and DC is a leading biopharma cluster in the country, offering business development opportunities to our college students better positions Maryland to potentially foster the next giant in the tech industry.<sup>4</sup> The Pava Lepere Legacy of Innovation Act gives our state the necessary funding to capitalize on the opportunity to significantly increase our competitiveness within the tech sector.

To summarize, passing the Pava LePere Legacy of Innovation Act will promote tech innovation among our state's brightest students, advance tech start-up development in Maryland, and further boost the state's strong tech, engineering, and life science sectors. For those reasons, the MEC respectfully requests a favorable report on Senate Bill 473.

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<sup>3</sup> Massachusetts Life Sciences Center, [Healey-Driscoll Administration and Massachusetts Life Sciences Center Announce \\$24.4 Million Job Creation Incentives for 43 Massachusetts Life Sciences Companies](#); Drexel University, [Cortex Innovation District | Nowak Metro Finance Lab | Drexel University](#); Ben Franklin Technology Partners, [Ben Franklin Clients Generated 2.4 Billion in Revenue in 2022](#); Georgia Research Alliance, [GRA's ROI on Georgia's investment](#)

<sup>4</sup> Maryland Department of Commerce, [Maryland Life Sciences Industry Fact Sheet](#)

# **SB 473 Pava LaPere Legacy Innovation Act.pdf**

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## Support with Amendments

### Senate Finance Committee

### *Senate Bill 473 (Ferguson) Economic Development – Entrepreneurial Innovations Programs – Establishment (Pava LaPere Legacy of Innovation of 2024)*

Matt Power, President

[mpower@micua.org](mailto:mpower@micua.org)

February 27, 2024

On behalf of the member institutions of the Maryland Independent College and University Association (MICUA) and the nearly 55,000 students we serve, I thank you for the opportunity to provide this written testimony in support with amendments of [Senate Bill 473 \(Ferguson\) – Economic Development - Entrepreneurial Innovation Programs - Establishment \(Pava LaPere Legacy of Innovation Act of 2024\)](#). This bill establishes the Pava LaPere Innovation Acceleration Grant Program in the Maryland Technology Development Corporation to foster growth of the entrepreneurial innovation ecosystem by providing grants to technology-based start-up companies founded by students or faculty members of postsecondary institutions located in the Baltimore Metropolitan area and that have a principal place of business in the Baltimore Metropolitan area.

MICUA member institutions collaborate with many private entities in their campus community or other statewide private industries. They have formed partnerships with businesses that would expand the student experience, foster an environment to encourage creativity and innovation, and create opportunities for entrepreneurship in the local community. SB 473 would provide additional funds to build on the existing relationships at MICUA institutions and spur economic vitality for the State while providing an engaging student learning experience and supporting academic personnel with entrepreneurial opportunities.

MICUA strongly supports innovative programs that will increase investment, coordination, and inclusiveness for the State of Maryland. However, there is concern about the provision mandating an “eligible university to pay an annual contribution of \$50,000” which can be found on page 5, lines 9 and 10. Many eligible MICUA institutions are unable to contribute at the threshold and thus would be unable to participate in the Baltimore Innovation Initiative Pilot Program. There would be unintended consequences of creating this unique opportunity for a certain subset of students and schools that would have the capacity to fulfill this financial commitment. **We recommend that the sponsors consider a scaled funding model that would accommodate various levels of participation by MICUA institutions with comparative budgets and remove the requirement that eligible institutions to contribute \$50,000 annually.**

MICUA hopes you consider this amendment. We appreciate the sponsor's vision and the General Assembly's ongoing support for workforce development. If you have any questions or would like additional information, please contact Irnande Altema, Associate Vice President for Government and Business Affairs, [ialtema@micua.org](mailto:ialtema@micua.org).

*For these reasons, MICUA urges the Committee to vote favorable with amendments report for Senate Bill 473.*