Written Testimony in Support of 2024 Maryland Senate Bill SB 516 – Economic Development: Maryland Aerospace and Technology Commission (MATC)

Madam Chair, Madam Vice Chair, and esteemed members of the House Ways and Means Committee,

Thank you for this opportunity to voice my support of Senator Washington's proposed Senate Bill 516 – Economic Development: Maryland Aerospace and Technology Commission. As a lifelong citizen of our great State of Maryland, I encourage you to respond in favor of this highly impactful legislation.

Maryland hosts over 70 Federal institutions, as well as headquarters 15 of the top 20 aerospace and defense companies. Our state prominently contributes to cutting-edge research and innovation in the aerospace, biomedical, cybersecurity, transportation, manufacturing, and many other highly technical industries. We have some of the largest aerospace facilities in the country, to include NASA Goddard Space Flight Center, NOAA, Johns Hopkins University's Applied Physics Laboratory, Space Telescope Science Institute, Army Research Laboratory, Aberdeen Proving Ground, NAVAIR Pax River, UMD Unmanned Aircraft Systems (UAS) Research and Operations Center, as well as some of the top-rated aerospace educational programs, such as University of Maryland (UMD) College Park, University of Maryland Baltimore County, Morgan State University, Johns Hopkins University, and Naval Academy.

As a result of these Federal investments and world-renowned educational institutions, our state has one of the most educated workforces in the nation, consisting of millions in the STEM fields and the largest concentration of aerospace engineers. Over 140,000 aerospace engineers work in Maryland, and with wages averaging $90,000 - $120,000 annually, contribute over $1,000,000,000 annually to the state's income tax revenues. As tracked by the Maryland Department of Commerce, there are also over 9,600 aerospace-related businesses in Maryland, the majority of which are small businesses.

Our state's aerospace posture is in peril. Federal-level budget uncertainty, the continuing resolutions, and the resulting project work uncertainty jeopardize high technology jobs across the state, including hundreds of jobs at the NASA Goddard Space Flight Center and NOAA. Moreover, other "aerospace states" (e.g., Texas, Florida, California) are actively working to attract aerospace companies to their states through similar state-run economic development ventures (as the proposed MATC) via tax incentive and land grants. We are losing over 60% of our UMD aerospace graduates to these other states, as new graduates often seek and follow the most exciting, highest-paying, and innovative jobs.

My name is Kajal Pancholi, and I am a licensed Professional Engineer (PE) in the State of Maryland. For over the last 50 years, my family has called Maryland home. I am a third-generation Maryland PE, and my father has been an environmental engineer with Maryland Department of Environment (MDE) for the last nearly 44 years. We are a Maryland family. Born in Baltimore and raised in Glen Burnie, I was interested in exploring and understanding the universe from the fourth grade. In high school (Old Mill Senior High), I discovered my talents for mathematics, physics, and engineering. I pursued this passion for STEM and proudly graduated with Honors from the University of Maryland College Park with both Bachelor ('02) and Masters ('04) of Science degrees in Aerospace Engineering.

After college, I joined an aerospace engineering services firm founded by a fellow University of Maryland College Park Aerospace graduate. I supported various space and missile defense research and development projects for nearly 15 years. In 2016, I was appointed the President & CEO of Avatar Technologies, a Maryland-based aerospace engineering company supporting NASA, DoD, and various commercial space companies. Over the past seven years, I have managed several Federal contracts to design, build, and test innovative aerospace technologies to facilitate the next generation of space

exploration, as well as strengthen national defense and civil aviation capabilities. On our largest project, the Avatar team is designing, integrating, and testing the ground support infrastructure and launch control software for NASA's Artemis program, returning humans back to the Moon.

Since 2013, I have also served on the University of Maryland College Park's Women-in-Engineering Advisory Board, mentoring and supporting women in various STEM fields. I have helped organize fundraisers for engineering scholarships, as well as participated in numerous student engagement, networking, advising, and mentoring activities. In 2020, I championed Avatar Technologies' Corporate Partnership with the University of Maryland College Park's A. James Clark School of Engineering. Via this initiative, I sponsored merit- and need-based scholarships for Aerospace Engineering students and supported the Women in Aeronautics and Astronautics (WIAA) student-run organization. Due to the opportunities afforded to me by Maryland's aerospace ecosystem, I have been able to become a contributing member of my community and give back to our well-deserving underrepresented youth.

As a Maryland woman-owned small business owner, I strongly support this legislation. Establishing the Maryland Aerospace and Technology Commission will help incentivize cutting-edge aerospace companies of all sizes, attract new projects, promote innovation, strengthen Maryland leadership as an aerospace hub, and create "exciting" new aerospace jobs for our graduates and already-trained workforce. Minimal investment in such a commission will help the state maintain its aerospace posture on the national level and reap numerous benefits for our future generations. For our company, growth of the state's aerospace ecosystem will offer more business opportunities, new customers, meaningful projects, and an available and trained workforce.

I call your attention to Florida. In 2011, after the cancellation of the Space Shuttle program, the area saw a significant economic downturn. Many trained employees left the state in pursuit of high-paying jobs elsewhere. Florida established "Space Florida", a similar state-run entity to promote workforce development, land use negotiations, business grants and tax incentives, and various other economic development measures to attract commercial space & traditional aerospace companies to the Space Coast area. Many large aerospace and defense firms relocated major programs to the area, creating thousands of six-figure average paying jobs, and the Space Coast has seen a significant economic boom in the last decade (with real estate doubling and technical field unemployment rates at historic lows).

Thank you for your consideration and, again, I hope you respond in favor of this important legislation.

Sincerely,
Kajal G. Pancholi
President & CEO
Avatar Technologies, Inc.