

FROSTBURG STATE UNIVERSITY
TESTIMONY PRESENTED TO THE SENATE FINANCE COMMITTEE
HOUSE BILL 799 - ECONOMIC DEVELOPMENT - MARYLAND INNOVATION INITIATIVE
INSTITUTION PARTNERSHIP EXTENSION PROGRAM
SENATOR PAMELA BEIDLE, CHAIR
SENATOR ANTONIO HAYES, VICE CHAIR
MARCH 25, 2025
SUPPORT

Dear Senators Beidle, Hayes, and esteemed members of the Senate Finance Committee:

Thank you for the opportunity to submit this testimony on behalf of Frostburg State University (FSU) in support of HB0799. On behalf of Frostburg State University, I would like to thank Delegates Vogel and Buckel for sponsoring this important legislation.

FSU has an unwavering commitment to fostering economic growth and innovation in rural Western Maryland as part of the University System of Maryland (USM). As the only comprehensive four-year university in the Appalachian part of Maryland, FSU plays a critical role in driving economic development through strategic investments in entrepreneurship, technology transfer and commercialization, and workforce development.

A key component of these efforts has been the utilization of Maryland Innovation Initiative (MII) funds, which have enabled the university to implement and expand high-impact programs that directly benefit students, faculty, staff, and the broader community. These MII funds have been instrumental in positioning FSU as a hub for innovation and economic growth, particularly in rural and underserved areas. By fostering an environment where students can develop marketable skills, launch startups, and address regional challenges, FSU is creating a pipeline of talent that directly supports economic development in Western Maryland and beyond.

Among the most successful initiatives supported by MII funding are the Bobcat Innovation Launch Pad competitions, FSU's Intellectual Property Disclosure, Validation, Technology Transfer, and Commercialization Program, and the development of a future Regional Cyber Security Operations Center (R-SOC). These initiatives are not just educational programs; they are key drivers of regional economic transformation, equipping students with entrepreneurial and technological competencies while simultaneously addressing critical workforce shortages and industry demands.

Frostburg State University, in collaboration with TEDCO's Maryland Innovation Initiative (MII) and the University System of Maryland Launch Fund, successfully hosted two Bobcat Innovation Launch Pad competitions on campus. This unique program, designed to merge the hackathon model with a business pitch competition, provided students with a high-pressure, collaborative environment to develop commercially viable solutions to real-world challenges.

The first event, held in September 2023, saw 70 students from seven different majors apply to participate. The competition focused on critical issues such as distributed energy resources, virtual power plants, climate change, and Environmental, Social, and Governance (ESG) factors. The second event, in November 2024, expanded to include over 80 attendees from more than 20 unique majors, addressing the theme of "Revive & Thrive: Reimagining Rural Resilience."

The mentorship component of the competition played a crucial role in its success. By the second year, the mentorship network had expanded to include over 15 subject matter experts from diverse industries, including small businesses, entrepreneurship, healthcare (including mental health), outdoor recreation, and technology sectors. These experts provided hands-on guidance, offering valuable insights and real-world expertise throughout the competition.

Beyond financial rewards and mentorship, the competition delivered significant intangible benefits. Students improved their pitch and presentation skills, learned to engage in deep discussions with industry experts, and refined their ability to articulate complex ideas while receiving constructive feedback. The competition also fostered an entrepreneurial mindset, exposing students to market research, business modeling, and prototype development. The interdisciplinary nature of the event mirrored real-world professional environments, enhancing students' career prospects and expanding their professional networks.

The Bobcat Innovation Launch Pad has established itself as a premier innovation competition, helping students develop essential skills and transform ideas into practical business solutions. Winning teams continue to refine and scale their projects with the support of industry mentors and FSU resources. Many projects have the potential to be implemented beyond the competition, benefiting local businesses and communities, particularly in addressing rural challenges in Western Maryland. These initiatives contribute to regional economic growth and sustainability and could potentially be scaled for larger markets.

Cybersecurity is an ongoing and growing concern for organizations of all sizes. In rural areas of our state, the concern is no different, though the resources and ability to provide protection to vulnerable organizations are significantly less than in more metropolitan parts of the state. FSU worked closely with Deloitte to conduct a study of the needs and opportunities to establish a Regional Cyber Security Operations Center (R-SOC) in Western Maryland to provide affordable 24/7/365 IT systems security for institutions of higher education, school systems, civic and non-profit organizations, and small businesses that otherwise operate with minimal or no protection against cyber threats.

The result of this work was a comprehensive and detailed implementation plan to establish an R-SOC in Western Maryland, which could serve as a demonstration for other parts of the state or for a statewide Cyber Security Center. A key component of the R-SOC plan was the training of a cybersecurity workforce and the deployment of FSU students and graduates as the backbone of the R-SOC operation. While state budget challenges have delayed initial implementation, continued MII funding will ensure that this initiative becomes a reality, providing critical cybersecurity protection while also fostering workforce development in the region.

With MII funding for Fiscal Year 2025, FSU is developing a thriving entrepreneurial hub that supports the commercialization of new technologies and strengthens the regional economy through the Intellectual Property Disclosure, Validation, Technology Transfer, and Commercialization Program. At the heart of this initiative is the creation of a functional and inspiring space designed to cultivate an entrepreneurial ecosystem, where faculty, staff, students, and community members can collaborate and launch technology-based ventures.

This year, funding will support participation at several key technology conferences, enabling faculty, staff, students and researchers to build industry connections and gain valuable insights into the commercialization process. Additionally, in partnership with TEDCO/MII, we will be hosting seminars and workshops tailored to encourage research-driven innovation. An Innovation Talk Series will bring subject matter experts to campus to discuss emerging trends and strategies for commercialization, while collaborative innovation meetups at the center will provide a platform for students and entrepreneurs to form teams, develop skills, and create startups. Finally, we will be hosting an end-of-year event to recognize the achievements of participants and celebrate their contributions to patentable technologies, technology commercialization, and entrepreneurial success.

By leveraging MII funds, FSU will be able to create a sustainable model that not only strengthens the university's research capacity but also supports local businesses and industries in an ever-evolving economic landscape. These programs underscore the broader goal of using educational advancements to drive regional economic development, ensuring that rural Western Maryland remains competitive in the modern economy.

Thank you to the chair, vice-chair, and other esteemed members of the committee for your time and support. FSU respectfully urges continued legislative support for MII funding. FSU strongly believes that the continued Maryland Innovation Initiative (MII) funding in Fiscal Years 26, 27, and 28 will be instrumental in sustaining and expanding these efforts. By continuing to support these critical initiatives, Maryland can ensure that its rural communities are not left behind but instead become engines of innovation and economic prosperity.