



Senate Education, Energy, and the Environment Committee

Senate Finance Committee

March 5, 2026

Senate Bill 853 – *Economic Development Activity – Nondisclosure Agreements*

POSITION: OPPOSE

The Maryland Tech Council (MTC), with over 800 members, is the State's largest association of technology companies. Our vision is to propel Maryland to be the country's number one innovation economy for life sciences and technology. MTC brings the State's life sciences and technology communities into a single, united organization that empowers members to achieve their goals through advocacy, networking, and education. On behalf of MTC, we submit this letter of **opposition** for Senate Bill 853.

Senate Bill 853 would restrict the use of nondisclosure agreements (NDAs) for certain people involved in economic activities in Maryland. The bill includes a specific prohibition on NDAs in the context of establishing or operating a data center.

NDAs are routine and essential business tools used nationwide in economic development negotiations. When companies explore potential expansion or relocation, they frequently evaluate multiple jurisdictions simultaneously. The negotiation process includes sharing highly sensitive information, including proprietary technology and infrastructure plans, financial projections, capital investment strategies, workforce planning, energy usage projections, intellectual property considerations, and other confidential information. Sharing such information publicly, especially during the early stages of negotiations, can harm a company's competitive position and put critically needed economic development projects in jeopardy for location in Maryland.

States that compete for major economic development projects commonly use targeted confidentiality agreements during negotiations. Prohibiting NDAs outright for public officials and staff involved in these discussions would put Maryland at a distinct competitive disadvantage. If Maryland becomes one of the only states to prohibit NDAs during negotiations, companies may simply remove Maryland from consideration. Our experience is that site selection consultants would advise clients to avoid states where confidentiality cannot be preserved during negotiations.

Maryland has worked hard to position itself as a leader in cybersecurity, biotechnology, quantum computing, and advanced data center infrastructure. These sectors rely heavily on proprietary research, intellectual property, and sensitive commercial information. A blanket prohibition on NDAs could chill collaboration between the public and private sectors and make Maryland less attractive for the growth of these emerging innovation sectors. For these reasons, we respectfully request an unfavorable report for Senate Bill 853.

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