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Uploaded by: Drew Vetter

Position: FAV



Senate Finance Committee

January 29, 2026

Senate Bill 248 – *Maryland Technology Development Corporation – Investments – Alterations*

POSITION: SUPPORT

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 **support** for Senate Bill 248.

Senate Bill 248 enhances the capabilities of the Maryland Technology Development Corporation (TEDCO) and aligns its investment oversight processes with best practices for economic development and venture investing.

Senate Bill 248 requires regulations for how investments are reviewed and what remedies are considered when companies in the portfolio no longer meet the definition of a qualified business, including divestment. The changes proposed by this bill would align TEDCO's practices more closely with those in the private capital market. These regulations also allow TEDCO to pursue alternative remedies to divestment that may better serve the State's best interests. This added structure strengthens TEDCO's processes and ensures that its investments effectively serve Maryland's economy. In addition, added flexibility helps TEDCO stay strategic and responsive to market realities, which is key to protecting the State's long-term interests and ensuring public investments in innovation have a lasting impact.

In conclusion, the MTC supports this bill because it provides further clarity and flexibility to TEDCO's already powerful set of economic development tools, thereby strengthening Maryland's technology investment ecosystem. MTC requests a favorable review of Senate Bill 248.

For more information call:

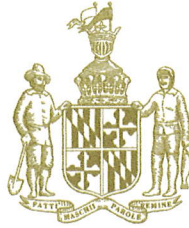
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SB248 Testimony.pdf

Uploaded by: Pamela Beidle

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Chair, Finance Committee

Executive Nominations Committee

Joint Committee on Gaming Oversight

Joint Committee on Management
of Public Funds

Spending Affordability Committee

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

January 29, 2026

SB 248
Maryland Technology Development Corporation
Investments – Alterations

Good afternoon, Vice Chair Hayes and Members of the Finance Committee;

Thank you for the opportunity to present Senate Bill 248, Maryland Technology Development Corporation - Investments – Alterations. SB 248 provides authority for TEDCO to adopt additional regulations related to the responsibilities of TEDCO's investment committee, specifically, the development of a process for considering and pursuing remedies for investments that no longer meet the definition of a qualified business. The legislation also provides additional remedies other than divestment for an investment that TEDCO holds over 15 years.

This change modifies the current, punitive approach to TEDCO portfolio companies that fall out of compliance with the qualified Maryland business criteria due to growth and/or M&A activity, and other related events, allowing TEDCO more latitude in liquidating an investment that no longer meets the statutory definition of a Maryland based firm. This change allows a more controlled exit and better enhances TEDCO returns for state money, providing a more controlled exit to help offset negative outcomes for the growing startup company, when appropriate and under the oversight of the investment committee of TEDCO's Board.

I respectfully request a "Favorable Report" on SB 248.

FINAL- TEDCO Written Testimony - SB0248.pdf

Uploaded by: Troy LeMaile-Stovall

Position: FAV



**TESTIMONY PRESENTED TO THE SENATE FINANCE COMMITTEE
JANUARY 29, 2026**

**SENATE BILL – 248 - MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION -
INVESTMENTS - ALTERATIONS**

POSITION: 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 supports Senate Bill 248 Maryland Technology Development Corporation - Investments - Alterations, and thanks Chair Beidle, for her leadership on this important issue.

History/Background:

This legislation, recommended by the Maryland Attorney General Office, provides clarity and better control over when TEDCO has to exit an investment. This provision is the same language that was included in the version of the Administration's 2025 DECADE Act that passed the Senate Finance Committee and Senate.

Bill Summary:

Senate Bill 248 provides authority for TEDCO to adopt additional regulations related to the responsibilities of TEDCO's investment committee, specifically, the development of a process for considering and pursuing remedies for investments that no longer meet the definition of a qualified business. The legislation also provides additional remedies other than divestment for an investment that TEDCO holds over 15 years.

This change modifies current statute that stipulates divestment for TEDCO portfolio companies that no longer meet the statutory "qualified Maryland business" definition due to growth and/or M&A activity, etc. This modification enables a more controlled investment exit, improving TEDCO's ability to enhance returns for state money and providing a mechanism to help offset negative outcomes for expanding Maryland startups, when and if appropriate, and under the oversight of the Investment Committee of TEDCO's Board.

An recent example saw TEDCO forgo almost \$2.5M (which would have been reinvested in the Maryland startup ecosystem) because a firm grew (as we want them to do) and became non-compliant with Maryland's qualified business workforce residency requirements (COMAR 14.04.02.04(A)(2)).

For all these reasons, TEDCO supports the legislation and requests a favorable report.