



TESTIMONY PRESENTED TO THE SENATE BUDGET AND TAXATION COMMITTEE

SENATE BILL 389 -- ECONOMIC DEVELOPMENT - MARYLAND E-NOVATION INITIATIVE PROGRAM - EXTENSION AND ALTERATIONS

February 12, 2020

**DONALD C. FRY
PRESIDENT & CEO
GREATER BALTIMORE COMMITTEE**

Position: Support

Senate Bill 389 extends the Maryland E-Nnovation Initiative Program and requires the Governor to include in the annual budget bill a \$12,500,000 appropriation to the Maryland E-Nnovation Initiative Fund (MEIF) for fiscal years 2022 through 2026. Currently, \$8.5 million is required to be appropriated annually in fiscal years 2016 through 2021.

The Maryland E-Nnovation Initiative Fund, administered by the Maryland Department of Commerce, offers a match to private funds raised in support of endowed chairs at Maryland's higher education institutions. Investment earnings on the endowments, as determined by the Maryland E-Nnovation Initiative Fund Authority, are used to further basic and applied research in scientific and technical fields of study. The program has been instrumental in spurring basic and applied research in scientific and technical fields at Maryland colleges and universities.

Senate Bill 389 and the Maryland E-Nnovation Initiative Program are consistent with one of the key tenets in *Gaining the Competitive Edge: Keys to Economic Growth and Job Creation in Maryland*, a report published by the GBC that identifies eight core pillars for a competitive business environment and job growth:

Strategic and effective investments in business growth. The State must commit to substantive strategic investments, leveraged with capital assets, to nurture business and job growth. Investments should include competitive and effective tax credits, business development incentives, and tactical initiatives to nurture private investments in industry growth.

Additionally, the GBC's *2020 Legislative Priorities* state that an important priority is to "support a strong economic development infrastructure that improves the business climate, creates jobs, and cultivates entrepreneurship." Senate Bill 389 is consistent with this priority by extending the MEIF program and ensuring adequate funding support.

For these reasons, the Greater Baltimore Committee urges a favorable report on Senate Bill 389.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 65-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.

GREATER BALTIMORE COMMITTEE

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