

TO: The Honorable Guy Guzzone, Chair
Senate Budget and Taxation Committee

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Johns Hopkins University and Medicine urges a favorable report on **SB 160, the Cybersecurity Investment Incentive Tax Credit**. This bill expands the existing Cybersecurity Investor Incentive Tax Credit (CIITC) program eligibility to include additional technology sectors. It also establishes a maximum percentage of the program Reserve Fund that a single Maryland technology sector may receive in a fiscal year. The bill will extend the program to January 1, 2025.

Cybersecurity remains a critical industry and growing area of innovation within Maryland. Expanding this program will enable the State to remain competitive and invest in additional technology sectors. That is, it will allow companies in technology sectors outside of cybersecurity to benefit because they will now be eligible to participate in the program.

With the creation of Johns Hopkins Technology Ventures in 2014, Johns Hopkins has become increasingly focused on the translation and commercialization of discoveries into accessible technologies, products and services for the benefit of society and, in the meantime, spur meaningful economic activity around the university. Smart, targeted investments in innovation can yield real economic results. JHU has invested \$70 million to build robust innovation infrastructure that start-ups need in those first few critical years; this has resulted in the flow of \$600M in venture capital into Maryland-based startups and the creation of approximately 1,300 Maryland jobs. Approximately 70% of activity is in the life sciences; 30% of activity is in other technology sectors.

As new technologies and industry sectors emerge, Maryland will not need to pass new legislation to incentivize growth in those areas in the State. Given the density of raw assets originating from our renowned research institutions, among other regional assets, there is no reason we cannot lead as an innovation hub. Maryland is currently ranked fourth nationally on Miliken's science & technology index, but without continued attention and investment, we will miss significant growth opportunity to take our raw assets (technologies and talent) and create economic opportunity. We also risk loss of talent, and therefore technology, if Maryland does not demonstrate its commitment to leading in tech.

We urge the Budget and Taxation Committee to take action to ensure continued investments in innovation and growth to support emerging technologies by issuing a **favorable report on SB 160**.

cc: Members of the Budget and Taxation Committee