



MARYLAND TECH COUNCIL

TO: The Honorable Anne R. Kaiser, Chair
Members, House Ways and Means Committee
The Maryland Department of Commerce

FROM: Pamela Metz Kasemeyer
J. Steven Wise
Danna L. Kauffman

DATE: March 25, 2021

RE: **SUPPORT** – Senate Bill 160 – *Economic Development – Cybersecurity Investment Incentive Tax Credit Program – Expansion and Extension*

The Maryland Tech Council (MTC) is a collaborative community, actively engaged in building stronger life science and technology companies by supporting the efforts of our individual members who are saving and improving lives through innovation. We support our member companies who are driving innovation through advocacy, education, workforce development, cost savings programs, and connecting entrepreneurial minds. The valuable resources we provide to our members help them reach their full potential making Maryland a global leader in the life sciences and technology industries. On behalf of MTC, we submit this letter of **support** for Senate Bill 160.

Senate Bill 160 expands the existing Cybersecurity Investor Incentive Tax Credit (CIITC) program eligibility to include additional technology sectors in addition to cybersecurity. It requires that each year, upon conclusion of an evaluation and recommendation process involving the Maryland Economic Development Commission and the Maryland Department of Labor, that the Department of Commerce establish a list of eligible technology sectors for the program. It establishes a maximum percentage of 25% of the program Reserve Fund that a single Maryland technology sector may receive in a fiscal year to help enhance the program's primary objective which is to assist early-stage companies. Finally, the bill increases the number of consecutive years a company can receive a credit from 2 years to 4 years and extends CIITC an additional 2 years to January 1, 2025.

MTC believes that cybersecurity remains a critical industry and a growing area of innovation within Maryland. However, the expansion of this program beyond cybersecurity enables the State to provide critical tax relief to other early-stage companies that fall within the technology sector. Senate Bill 160 will provide the State flexibility in delivering on their commitment to support innovative technology development and will help ensure that the State remains competitive in attracting and supporting new and innovative companies. A favorable report is requested.

For more information call:

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