



**TESTIMONY PRESENTED TO THE
FINANCE COMMITTEE**

**SENATE BILL – 846 - ECONOMIC DEVELOPMENT – MARYLAND TECHNOLOGY
INFRASTRUCTURE PILOT PROGRAM - ESTABLISHMENT**

POSITION: SUPPORT

MARCH 2, 2022

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 846 – Economic Development – Maryland Technology Infrastructure Pilot Program and thanks the bill sponsor, Senator Edwards, for his leadership on this important issue. Senate Bill 846 establishes the Maryland Technology Infrastructure Pilot Program, Authority, and Fund (MTIF) at TEDCO. The pilot program is focused on the Western Maryland innovation economy. Funds will support: (1) large-scale infrastructure or resource projects in Western Maryland to attract talent, foster collaboration, and enable concentration and growth of advanced industries; (2) public-private collaborations to encourage development of shared infrastructure and resources; and (3) talent development initiatives that address critical skill shortage areas in industries critical to growth in Western Maryland.

TEDCO recognizes the importance of technology and infrastructure technology investments that support economic and workforce development and growth. TEDCO supports targeted, as well as state-wide, geographical approaches to investment. For example, TEDCO’s existing Rural Business Innovation Initiative (RBII) that serves the needs of small businesses in rural areas of Maryland, including Western Maryland. RBII’s Business Mentors from the local areas help enhance technology commercialization activities by providing technical and business assistance to incubator-stage companies and incubators in the targeted counties. The program currently provides project grants and pre-seed investments.

TEDCO’s existing RBII program would work in tandem with the Pilot program established by Senate Bill 846 that may provide several types of financial assistance, such as loans and investments, etc. The bill does not mandate funding or otherwise specify an intended funding level for the program. If the program was funded at \$2.5 million annually, which is enough for TEDCO to make five awards for close to the maximum amount of \$0.5 million while still paying for TEDCO’s administrative expenses. At a funding level of \$5 million, the number of awards TEDCO could make for close to the maximum amount would increase to nine awards annually.

This program would help enable TEDCO to ensure that infrastructure investments were strategic, built upon each other consistent with the regional economic strategy, and structured to leverage and stitch together existing infrastructure. Also, the proposed pilot program fits within TEDCO’s overarching mission of a developing more coordinated ecosystem.

For these reasons, **TEDCO supports SB 846 and requests a favorable report.**