

STATE OF MARYLAND

EXECUTIVE DEPARTMENT

WES MOORE

GOVERNOR

ARUNA MILLER

LT. GOVERNOR



OFFICE OF THE SECRETARY OF STATE

STATE HOUSE

ANNAPOLIS, MARYLAND 21401

(410) 974-5521

TOLL FREE 888-874-0013

FAX (410) 974-5190

TDD: 800-735-2258

SUSAN C. LEE
SECRETARY OF STATE

OSOS Statement of Information for HB 894 as amended by the House HGO Committee

HB 894 – Procurement – International Traffic in Arms Regulations (ITAR) - Prohibition

Introduction

The Maryland Office of the Secretary of State has been asked to convey, if any, the impact HB 894 would have on our Sister State Program and the closely related Sister Cities.

President Eisenhower established the Sister Cities Program in 1956 to build bridges across the geopolitical divide during the Cold War. Maryland's first Sister State relationship was established in 1980 with Anhui, China. Maryland Sister State Program continues to provide opportunities to develop international partnership, foster cultural understanding, and promote economic development. Maryland currently has 20 Sister State relationships in 17 countries that encourage cooperation and exchange across a wide range of areas: including art, culture, business, transportation, health care, education, sports, and women's issues.

Adopting a standard designed for the defense industry and applying it to state and local procurement would have unintended consequences on the Maryland Sister State Program. The ITAR lists are used specifically for controls to prevent the dissemination of technologies to countries that may use them for nefarious purposes. State and local procurement are designed to allow cost savings, competition and preferential opportunities for certain groups based on public policy priorities.

ITAR Listed Countries Represented in the Maryland Sister State Program

The People's Republic of China (Anhui) and Vietnam (Ninh Thuan) are two significant counterpart countries from the ITAR list which have an active subnational jurisdiction as part of the Maryland Sister States Program. The Sister State relationship between Maryland and Anhui Province began in 1980 and has developed programs on agriculture, trade, tourism, education, culture, and health care. Originating in 2011, the Sister State relationship between Maryland and Ninh Thuan Province has focused on raising cross-cultural awareness, promoting friendship, and creating long-term programs with a focus on arts, culture, education, economic development, and technology.

If HB 894 becomes law in Maryland, it is foreseeable that we will see retaliation with draconian provisions from the Government of the PRC, Vietnam, and their subnational governments, including our sister states themselves. If this retaliatory behavior occurs, our ability to participate fully in the PRC and Vietnam markets would be hindered, as well.

The Office of the Secretary of State respectfully requests members to consider these factors and any provisions within the legislation that could cause our Sister State Program to step backwards unintentionally. This legislation may put us at a competitive disadvantage relevant to other states that have relationships with the PRC and Vietnam.