



# POSITION STATEMENT

## TESTIMONY PRESENTED TO THE HOUSE OF DELEGATES APPROPRIATIONS COMMITTEE

### BUDGET HEARING – MARYLAND DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT

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

#### **POSITION SUPPORT:**

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of more than 500 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 58-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. It is an organization that prides itself on advocating for changes in public policies that strengthen the business climate while improving the quality of life.

The Greater Baltimore Committee **supports** a funding increase for the Maryland Department of Business and Economic Development (DBED), particularly for programs meant to spur innovation and entrepreneurship and those used as incentives for private sector business development.

As the only agency in the state dedicated entirely to the development and retention of business, DBED plays a crucial role in our state's overall health and continued economic recovery. Aside from the general services DBED provides to businesses, the agency is also home to a number of crucially important economic development tools.

The Maryland Economic Development Assistance Authority and Fund, which is budgeted to receive an infusion of \$8 million in general funds in order to recapitalize the fund, is the state's most flexible business incentive tool and has been instrumental in creating or retaining thousands of jobs over the past few years. The Research and Development Tax Credit, the Biotechnology Investment Tax Credit, and the Cybersecurity Investment Tax Credit are all aimed at providing much-needed funding to Maryland's emerging industry sectors. The Small, Minority, and Women-Owned Business Investment Account and the Maryland Small Business Development Financing Authority work to support our state's small and minority-owned businesses, the true backbone of our economy.

Despite the critical importance of all of these programs, and of DBED as a whole, funding for the department has seen a decrease of 24% between FY2007 and FY2014, and currently represents less than one-half of one percent of the state's overall budget.

The GBC believes that in order for Maryland to fully realize its potential for economic growth and job creation, competitiveness needs to be at the top of everyone's agenda. As identified in the GBC's 2010 report, "Gaining a Competitive Edge," one of the core pillars for building a competitive business environment is strategic and effective state investments in business growth. Providing increased funding for DBED and its vital funding programs is one very effective way to show the business community, inside and outside the state's borders, that Maryland is competitive, innovative, and focused on job creation.

For the reasons stated above, the Greater Baltimore Committee supports **increased funding for the Maryland Department of Business and Economic Development.**

GREATER BALTIMORE COMMITTEE

111 South Calvert Street . Suite 1700 . Baltimore, Maryland 21202-6180

(410) 727-2820 info@gbc.org