

Maryland Economic Development Commission



**2014 Annual Report to the General Assembly
of the
Maryland Economic Development Commission**

In Accordance with Maryland State Code,
Economic Development Article, Section 2-207 (a)

Submitted

January 2015

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Executive Summary

The Maryland Economic Development Commission (Commission), in accordance with § 2–207 of the Economic Development Article of the Maryland State Code (see Appendix A), hereby submits to the General Assembly of Maryland, a report of the 2014 activities of the Commission. For the past year the Commission has continued to work side by side with the Maryland Department of Business and Economic Development (DBED) to build upon four core economic development strategies: I. Position Maryland for Growth; II. Build on Existing Strengths; III. Embrace Regional Economic Diversity; IV. Make it Easy to Do Business in Maryland. Each strategy was identified in the 2011 Five-year Strategic Plan, the framework in which the Commission’s activities revolve.

The Commission has been dedicated in their efforts to take a more active coordination and advocacy role with the various other economic development organizations, academia, and boards and commissions that exist both within DBED and in the larger business community. In doing so, the Commission is confident that these partnerships and extensive collaboration will facilitate better leverage and broaden the scope of knowledge and resources that exist in Maryland. This will better enable the Commission to focus on its mission to create jobs and support business retention and attraction.

Maryland Economic Development Commission Background

Mission

The mission of the Commission is to establish economic development policy in the State and to oversee DBED’s efforts to support the creation, attraction, and retention of businesses and jobs.

Organization Purpose

Maryland is uniquely positioned to support an economic development environment where knowledge is transformed into products, processes, systems and services, and where entrepreneurship flourishes within a diverse economy. The State’s research universities, federal labs, and highly educated workforce create a knowledge base that is ready to meet the challenges of tomorrow’s innovation economy. Complementing these advantages is Maryland’s rich cultural and environmental heritage. The Commission’s role is to build on these existing strengths by guiding the State’s decision-makers to encourage a climate where business leaders and entrepreneurs experience Maryland as ideal for both commercial endeavors and quality of life.

Organization Structure

Founded in 1995, the Commission draws upon the expertise of the State’s business leaders to inform State economic development efforts. The Commission is composed of 25 voting members (see Appendix B). Members are charged with providing a comprehensive evaluation of the State’s business climate and recommending to the Governor the strategic adaptation and

creation of certain policies and programs, as well as spending priorities within Maryland's business and entrepreneurial community.

Maryland Economic Development Commission Membership

Leadership

In January 2014, Susan J. Ganz was appointed as Commission Chair succeeding Steve Dubin following his resignation after 5 years serving as Commission Chair. Susan J. Ganz is the Chief Executive Officer of Lion Brothers Company Inc., a manufacturing firm based in Baltimore County (Owings Mills) Maryland. Lion Brothers Company Inc., established in 1899, is a world leader in the manufacturing and distribution of embroidered and appliquéd emblems. Lion Brothers is a female-owned business operating manufacturing facilities in the U.S. and China employing more than 700 individuals worldwide. Susan obtained an MBA in Finance and Multinational Management from Wharton.

Subcommittees

The Commission has created work groups to narrow down broad principles addressed in the strategic plan. Commission members were assigned to subcommittee workgroups based on expertise and experiences and charged with defining problems, proposing solutions, developing recommendations and implementing plans. The role of each subcommittee is described below. Member assignments are described in Appendix C.

Executive

Establishes the direction of the Commission and oversees the work of subcommittees which are each focused on issues impacting the business community. The Executive Subcommittee develops strategies, recommends specific policies, which will serve to enhance Maryland's economic development as it relates to business climate, the entrepreneurial eco-system, and regional diversity and infrastructure. The Committee will provide actionable recommendations and implementation plans to the Governor and General Assembly annually.

Business Climate

This subcommittee evaluates Maryland's business climate by recommending and/or amending policies related to taxation, regulation, permitting, business incentives, financing options, workforce development, education, and training. The Business Climate Subcommittee will develop strategies and specific recommendations that serve to create an advantageous, accommodating, supportive business climate in Maryland.

Innovation, Commercialization & Entrepreneurship (ICE)

Creates strategies, initiatives and policies geared towards accelerating commercialization of Maryland's research and development capital and developing the entrepreneurial culture and eco-system in Maryland to ensure a positive impact on Maryland's economy. ICE evaluates, promotes, and helps businesses capitalize upon the competitive advantages provided by the State's business incubators, accelerators, trade groups and federal, academic and private research and development (R&D) activities, along with the support of individuals and corporate innovators.

Regional Diversity & Infrastructure

Evaluates and understands regional strengths and priorities to promote the State's economic diversity and evaluates opportunities, threats, and issues related to the State's physical capital and technological infrastructure. The subcommittee develops strategies and recommends policies that support regional growth and leverage Maryland's diverse assets and economic resources.

Five-year Strategic Plan Efforts and Achievements

The work of the Commission is driven by advancing economic development by expanding upon the general tenets laid out in the 2011 Five-year Strategic Plan. Several commission involved ongoing efforts and activities have been implemented to date related to the four core strategies outlined in the strategic plan. These strategies are intended to structure the Commission's activities, as well as complement DBED's key initiatives and accelerate small business growth. More broadly, the strategic plan anticipated and echoed initiatives elsewhere in State organizations (including the University systems), among public-private entities, non-profits and local government. Outlined below are the four core strategies outlined in the plan, with assessments of the progress, efforts, and achievements made to date.

Strategy I: Position Maryland for Growth

The Strategic Plan calls for accelerating efforts to sustain a knowledge-dependent, innovation-based and technology-driven entrepreneurial economy. The plan acknowledged the limitations of an economy reliant to some degree on Federal spending and supported the trend toward diversification and encouragement of promising companies. Specific recommendations included in this first, core strategy were organized around the following areas:

- More commercialization coming from R&D
- More capital flowing to early stage companies
- Leverage federal lab presence
- Supporting fast growth firms ("gazelles")
- Better and increased opportunities for worker training and recruitment
- Plan and fund core infrastructure investments
- More export/international presence for Maryland firms.

Significant Achievements:

1. InvestMD – Funds allocated to venture capital firms; in-house venture fund actively making investments; professional venture capital team in place.
2. Propel Fund (Baltimore-focused), new Cybersecurity Fund managed by TEDCO
3. Cyber investment tax credit in place, more funding for Biotechnology and for R&D credits
4. InvestMaryland Challenge, business competition held for two years, planning underway for 3rd; high visibility for State and early stage firms.
5. Maryland Innovation Initiative (MII); Maryland private and public universities collaborating to increase pace of commercialized R&D
6. National Cyber Center of Excellence a reality; collaboration among State, private firms, National Institute of Standards and Technology (NIST), Montgomery County

7. Translational Grants/Biotechnology – made to early stage biotechnology companies
8. Support for new accelerator models – DreamIT, Baltimore Tech (Betamore), and Chesapeake Innovation Center (CIC)
9. Advance Maryland Program – 30 “second-stage” entrepreneurs receive high-quality, extensive strategic guidance and marketing assistance; a pilot basis program in partnership with the Economic Alliance of Greater Baltimore.
10. ExportMD – DBED funding assistance for individual firms looking to export
11. Launch within the month of Innovation Gateway portal, to assist in companies/investors/partners finding one another administered by TEDCO
12. E-Innovation program - passed last year, establishes fund for recruiting high-profile entrepreneurial academics to State institutions of higher education
13. EARN program – State labor agency launched industry-led teams with targeted worker training across State and industries.

Areas of recalibration or increased focus:

1. Federal labs and commercialization; *Federal Government continues to encourage “tech transfer” in Federal agencies; more work ahead.*
2. Funding for workforce training for individual firms; *EARN program has been successful in designing group-led training programs, and needs a complementary program funding individual firms.*
3. More flexible rules in using finance and incentive funds for younger companies, and companies investing in intellectual property and human capital (rather than hard capital expenditures); *underway; subject of last year’s legislative session, continuing into this year.*
4. Infrastructure and mass transit projects, funding; *National and State issue*
5. “Last mile” broadband and other technologies to bring full digital capabilities to rural areas/all areas of Maryland; *significant progress with more work ahead*
6. Better coordination of multiple entrepreneurial efforts across the State; *increased cooperation among non-profits and universities, more work ahead.*
7. Innovation Districts; *Developing innovation districts to develop communities of innovators around key industries including health IT and health innovation, digital arts*

Strategy II: Build on Existing Strengths

The Strategic Plan’s second strategy calls for recognizing inherent advantages the State may possess in specific sectors, and “doubling down” on the growth potential they present. They include the life sciences, cybersecurity, federal and military-related economic activity, and other emerging technologies. There has been significant and positive activity in bio and cybersecurity.

A fascinating point to consider is that the strategic plan was completed in the spring of 2011, and a merely three and a half years later, there are additional sectors with significant prospects that have grown in visibility: unmanned systems, Healthcare IT, and Health Innovation and “Edtech”, to name a few. Technologies such as 3D printing are rapidly entering the mainstream and transforming manufacturing and product design across the board. “Existing strengths” may need to be defined in a more fundamental way (not industry specific), and we may need to better anticipate the “next big thing(s)”.

Achievements:

- Organizationally, DBED organized a new unit – Office of Strategic Industries & Innovation, with a few key staff persons with knowledge in specific industries or technologies
- Hiring of cyber lead at DBED; dedicated budget
- Pending MOU with NASA to pursue commercialization, small satellite project, strengthen Wallops
- Collaborating with UMD on unmanned aerial systems, ongoing national work with FAA around regulations for specific unmanned commercial uses.

These activities will require funding (for specific projects) and additional new staff persons.

Strategy III: Embrace Regional and Economic Diversity

The third section of the strategic plan calls for supporting innovation and investment in industries that are critical to specific regions of Maryland, and include agriculture, manufacturing and tourism. The Plan also calls for better coordination with rural partners and public sector entities.

Achievements:

- Internally, DBED recruited a person to lead the regional staff, a position that had been unfilled for a few years. Additionally, we recruited two new staff persons to the regional team, and they have brought fresh perspectives to the job.
- The Eastern Shore and Southern Maryland have each begun to organize on a broader regional basis. On the Eastern Shore, efforts have focused on manufacturing and on the lower shore, Wallops. Southern Maryland's focus is the diversification of its economy, building on the presence of the military installations there.
- Re-launch and increased funding of Manufacturing Extension Program (MEP), with NIST; organizing of manufacturing commission at DBED. The commission is identifying a slate of legislative proposals to support manufacturing in the state.
- TEDCO's Rural Business Initiative and dedicated staffing in rural regions.
- On the tourism side, arts and tourism funding has been at least partially restored since the cuts made during the recession, and the Tourism division has successfully organized several high-profile events across the State (most recently, the Star-Spangled Spectacular).

Areas of recalibration or increased focus:

- Continue and intensify efforts to coordinate investments and activities in tourism, agriculture, technology-driven businesses and manufacturing; *public sector agencies, higher ed and non-profits are collaborating more effectively; more work ahead.*

Strategy IV: Make it Easy to Do Business in Maryland

Finally, the Plan calls for making it easy to do business in Maryland through predictability, transparency and automation. There have been a couple of major projects in which a range of State agencies were engaged, noted below. The Chamber of Commerce, Greater Baltimore Committee and the Maryland Economic Development and Business Climate Commission have each examined business climate issues in the State and many focus on the regulatory and

permitting environment. We expect that there will be continued emphasis on improvements in the new gubernatorial administration.

Achievements:

- Internally, the DBED Finance group continues to pursue lean initiatives in order to streamline portfolio management. The next project will focus on the administration of the tax credits DBED manages.
- More broadly, the “Maryland Made Easy” initiative provides a forum that brings agencies together to streamline permitting reviews of major projects in the State - the FastTrack initiative.
- The first phase of the Central Business Licensing online licensing and permitting function is complete, and allows business to get the most sought-after licenses and permits online in one location. Further development of its capabilities is continuing.
- Some State agencies, such as the MVA, have invested heavily in automation and “lean” work practices. Interest is growing at the County and local levels as well.
- Legislation last session created an “ombudsman” role in the Governor’s Office; this is a specific recommendation in the Strategic Plan. The position, and its authority and direction, will be pursued by the new gubernatorial administration.

Areas of recalibration or increased focus:

- More systemic improvements to timing and clarity of regulatory and permitting processes in various State agencies with significant business interaction (e.g., MDE, MDOT, DLLR).

2014 in Review

The MEDC had various discussions and presentations addressing small business, entrepreneurship, innovation, commercialization, legislation, and collaboration throughout the year. Below is a summary of meetings and activities conducted during January – December 2014.

- **New Commission Chair Appointed**-Susan Ganz was appointed Commission Chair, Steve Dubin announced his resignation after serving as Commission chair for past five years. Chair Ganz expressed her Commission 2014 objectives:
 - Create additional workgroups to focus on centers of activity and support DBED and Maryland’s economy
 - Draw from DBED staff to assist work group efforts
 - Development of impactful recommendations and policies
 - Review of DBED finance programs and tax incentives effectiveness and successes
 - Redirect/refocus the MEDC ‘s role and activities as stated in the original statute
 - Clarify the MEDC purpose and mission to align with roles and activities
 - Understanding economic development best practices used in surrounding states for early stage and innovative entrepreneurs.
 - Determine how the Commission best serves the business community.

- **DBED Legislative Outlook-** Secretary Murray announced budget highlights and efforts as they related to DBED and the business community.
- **Lean Government-**Presentation by Jeff Fuchs, Director, Maryland World Class Consortia and Chair, Maryland Advisory Commission on Manufacturing Competitiveness on “Lean Government Initiatives.” The presentation was sparked by the Commission’s interest and recommendation surrounding improved customer service in Maryland government agencies. The presentation defined “lean government” as methods applied in government to improve processes and create better outcomes for employers, citizens, and business. The presentation provided examples and addressed the benefits of implementation and furthering the lean government concept to increase economic impact, free-up human capital, and provide a redeployment of resources. Mr. Fuchs provided examples of successful lean government activities within Maryland and across the country highlighting important keys to success for government.
- **Commission Executive Session-**Commission Chair and subcommittee Chairs, DBED Management and DBED’s Policy and Government Affairs Director met to discuss the Commission’s direction for the year as it relates to DBED and State legislative priorities.
- **Maryland Competitiveness Coalition (MCC)-**Presentation by Kathleen Snyder (former Commissioner) then President/CEO Maryland Chamber of Commerce. The presentation was initiated by the Commission’s recommendation regarding Maryland’s business climate. Mrs. Snyder provided the goals and mission of the MCC focusing on the need for organizations to advocate jointly for the business community as “one voices” and work to change the attitude and perception of Maryland to a more “welcoming” State. Commissioners discussed Maryland’s current tax structure and what changes Maryland might implement to benefit the business community.
- **2014 Legislative Session Recap-**Presentation by Richard Higgins, Policy Planning & Inter-Agency Coordination Manager, DBED. Rich Higgins provided an extensive summary highlighting passed/failed legislation impacting DBED/business resulting at the close of the 2014 session. Mr. Higgins concluded that efforts will continue to make MEDAFF funding more flexible for businesses coming into the State; modifying the requirement for new employees as the primary prerequisite for funding consideration. Highlighted areas included:
 - Administrative/DBED priorities
 - 2015 Fiscal operating budget funding
 - Joint legislative agenda for business and economic development (passed major initiatives)
 - Industry specific legislation
- **Maryland Economic Development and Business Climate Commission (MEDBCC) -** Assistant Secretary Ursula Powidzki introduced the Commission to the MEDBCC informing the Commission of their objective to study the State’s economic development platform, including the existing structure and connectivity of DBED, MEDCO, and TEDCO. The MEDBCC is tasked with making recommendations to the General

Assembly in December 2014. Commissioners discussed overlapping efforts and also how the two groups might collaborate.

- **Maryland's Tax Structure & Competitiveness**-DBED's Research & Information team provided an extensive presentation on Maryland's tax structure as it impacts the business community and provided comparisons for surrounding states. Commissioners were interested in better understanding Maryland's tax structure to make impactful recommendations related to business climate issues. The presentation addressed: personal and corporate income taxes, real and business personal property taxes; national business tax rankings, national business tax burden; and representative firm models-an Ernst & Young study on the competitiveness of state and local business taxes which measures the amount of taxes that businesses actually pay. Maryland was found to have the 12th lowest tax burden on new investment, however Maryland also had significant tax complexity when compared with other states.
- **Competitive Tax Restructuring and Accountability Commission**-Presentation by Donald Fry, President & CEO, Greater Baltimore Committee (GBC). Don Fry provided information documented by studies and strategies supporting the GBC's efforts in developing solutions to the problems affecting Maryland's competitiveness and viability. Those problems directly related to the tax structure if modified to adapt to a growing, ever-changing 21st century economy and improve competitiveness.
- **Maryland Innovation Gateway**- Robert Rosenbaum, President and CEO, TEDCO hosted an MEDC meeting and provided information regarding TEDCO's programs and initiatives. Mr. Rosenbaum provided information on the status of the Innovation Gateway. The objective of a Maryland Innovation Gateway Portal is to help innovators grow their companies and create jobs by maximizing our existing assets and previous investments already in the state. The Commission's Innovation, Commercialization, and Entrepreneurship Subcommittee (ICE) is focused on expanding TEDCO activities and creating new partnerships to advocate and support the needs of the entrepreneurial community.
- **The Future of Health Innovation & Health IT, an Emerging Landscape**- Presentations were given by Dr. Landon King, Executive Vice Dean, Johns Hopkins Medicine; Chancellor Brit Kirwan, University of Maryland System; Christy Wyskiel, Senior Advisor to the President for Enterprise Development Johns Hopkins University; James L. Hughes, Director, Chief Enterprise & Economic Development Officer, Vice President, UM Ventures, University of Maryland Baltimore; Patrick H. Murray, Director, State Affairs, Johns Hopkins University. Speakers discussed topics related to: the importance of the healthcare IT emergence and the need for various support channels to accelerate innovation, commercialization and entrepreneurship; the importance of an innovation ecosystem to Johns Hopkins; capabilities for healthIT and health innovation commercialization throughout Maryland; legislation moving the needle forward in healthIT and health innovation; collaboration with joint research and entrepreneurial initiatives among Johns Hopkins and University of Maryland (Baltimore and College Park); and State partnership opportunities to advance innovation.

- **Entrepreneur Expo, “Entrepreneurs Inspiring Entrepreneurs”** – Chair Suzy Ganz led an event session (fireside chat) at the TEDCO organized event with over 500 attendees. Suzy led a session providing first-hand industry expertise as a leader in innovative technology-based manufacturing.
- **InvestMaryland Commission Advocacy**-The Commission continues support and participation in all IMC events.
- **Recommendations to the Maryland Economic Development and Business Climate Commission** – The Commission submitted a series of recommendations to the MEDBCC for consideration. These considerations reflected the input from several years of workgroup and input meetings.

2015 Priorities & Recommendations Looking Forward

The Commission looking ahead into 2015 would like to:

- Meet with Secretary Gill and DBED’s Director of Policy & Government Affairs, and management staff to understand DBED’s short-term and long- term strategic priorities.
- Align future Commission activities and efforts with DBED initiatives and plans and address key issues/concerns and opportunities made known by the business community and by the MEDBCC.
- Clearly define and act upon the Commission’s mission and role as set forth in statute.
- Create benchmarks and measure the Commission’s progress through 2015 and further develop a detailed new 5-year plan through 2020.
- Be actively engaged in the work and efforts within DBED to better communicate the role and efforts of the Commission outside DBED.
- Support efforts to ensure key Maryland companies remain located in this State.
- Continue to support and promote DBED initiatives benefiting entrepreneurs (e.g., InvestMaryland Challenge and AdvanceMaryland).
- Forge communication and collaboration within state agencies, economic development partners/organizations, legislators, and the business community.

- Engage with legislators and activities taking place within the legislative session to ensure a clear focus and cohesive voice for support of business activities and the business community.
- Establish consistent communication between the Commission and legislators.
- Work jointly with other DBED/State Boards and Commissions, the Maryland Competitive Coalition, TEDCO, and the MEDBCC to implement change and provide additional support for the business community
- Better understand economic development best practices used in surrounding states in support of early stage, innovative entrepreneurs to determine how the MEDC can best serve businesses given changing needs and changing economic development environment.
- Work jointly with Johns Hopkins and the University of Maryland to support and accelerate innovation, commercialization and entrepreneurship of Health Innovation/HealthIT
- Work to have active Commission members reappointed and fill vacancies with new appointments that bring diverse expertise to the Commission. (Consideration of individuals recommended by current Commission members).
- Attract or create skilled regional workforce to address the growth needs of the emerging markets through increased funding for State workforce training programs and modify program controls for the Maryland Industrial Training Program (MITP) to allow direct funding to rapidly growing companies for workforce enhancement.
- Create investment capital through expansion of existing initiatives such as the Maryland Venture Fund to invest in high-growth start-ups supporting regionally focused emerging markets and adopt more aggressive incentive programs to recruit critical business to the emerging regional industries.
- Commit to a more aggressive tourism marketing strategy with reemphasis on State branding. The benefits span beyond tourism to attraction of new businesses and labor force.
- Investigate principles of funding mechanism and management for tourism opportunities which span multiple counties, or cross heritage areas, to enable a more affective integrated state and regional strategy for tourism (e.g., Historic Horse Trails).
- Leverage existing assets with minimal state investment to stimulate economic activity of underutilized land throughout the state for Off Highway Vehicles (OHVs).

- Substantially increase funding for the Maryland Economic Development Assistance Authority Fund (MEDAAF) infrastructure-related funding activities to support critical infrastructure projects such as “last-mile” broadband expansion, rail access, road/access improvements, utilities upgrades, and other infrastructure requirements.
- Reemphasize Public Private Partnerships as an enabling mechanism to address infrastructure.

Conclusion

The Commission’s work groups are busy exploring options to further the goals of the strategic plan. The Commission is focused on setting a framework for establishing partnerships and initiating joint collaborative efforts, which is essential to understanding the pulse of the business community and moving efforts for program initiatives and policy development. In the coming year, the Commission looks forward to the hard work ahead and will continue to engage Maryland’s business community and to develop actionable recommendations and implementation plans for the Hogan Administration and the General Assembly in order to ensure Maryland remains a great place in which to do business.

Appendices

Appendix A: MEDC Statute

Appendix B: MEDC Members

Appendix C: MEDC Subcommittee Assignments

Appendix A: Commission Enabling Legislation

Maryland State Code, Economic Development Article, Secs. 2-201 through 2-207

Title 2, Subtitle 2. Maryland Economic Development Commission.

§ 2–201. Definition.

§ 2–202. Commission Created.

§ 2–203. Composition of Commission.

§ 2–204. Officers; Executive Committee.

§ 2–205. Meetings, Voting, and Compensation.

§ 2–206. Duties and Powers of Commission.

§ 2–207. Reporting Requirements.

§ 2–201. Definition.

In this subtitle, “Commission” means the Maryland Economic Development Commission.

§ 2–202. Commission Created.

(a) There is a Maryland Economic Development Commission in the Department.

(b) The purpose of the Commission is to establish economic development policy in the State and oversee the Department’s efforts to support the creation of, attract, and retain businesses and jobs.

§ 2–203. Composition of Commission.

(a) (1) (i) The Commission consists of not more than 25 voting members appointed by the Governor with the advice and consent of the Senate.

(ii) The Secretary is a nonvoting ex officio member of the Commission.

(2) The geographic representation of the Commission shall cover the entire State and shall include at least one representative from:

(i) the upper Eastern Shore;

(ii) the lower Eastern Shore;

(iii) Calvert County, Charles County, or St. Mary’s County;

(iv) Allegany County or Garrett County; and

(v) Carroll County, Frederick County, or Washington County.

(3) When appointing Commission members, the Governor shall consider geographic and industry representation.

(4) The members appointed shall reflect the racial and gender diversity of the population of the State.

(b) The appointed members of the Commission shall have substantial interest or experience in business or knowledge of business and economic development.

(c) The Commission and its members are subject to the Maryland Public Ethics Law.

(d) (1) The term of an appointed member is 3 years.

(2) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

(3) A member appointed after a term has begun serves only for the remainder of the term and until a successor is appointed and qualifies.

(4) The terms of the members are staggered as required by the terms provided for members of the Commission on October 1, 2008. **[See § 13 of Ch. 306, Acts of 2008. The terms of the appointed members serving on October 1, 2008, end as follows: (1) five on July 1, 2009; (2) six on July 1, 2010; and (3) six on July 1, 2011.]**

(5) A member may be removed by the Governor with or without cause.

§ 2–204. Officers; Executive Committee.

(a) The Governor shall designate a chair or co–chairs from the voting members of the Commission.

(b) The Commission may elect an executive committee from its members to exercise the powers and functions of the Commission between meetings of the Commission.

§ 2–205. Meetings, Voting, and Compensation.

(a) (1) The Commission shall meet as often as its duties require, but not less than quarterly.

(2) The chair or co–chairs shall designate a time and place for meetings of the Commission.

(b) A majority of the voting members of the Commission is a quorum.

(c) A voting member of the Commission:

(1) may not receive compensation as a member of the Commission; but

(2) is entitled to reimbursement in accordance with the Standard State Travel Regulations as provided in the State budget.

(d) The Department shall provide staff support to the Commission.

§ 2–206. Duties and Powers of Commission.

(a) The Commission may:

- (1) adopt bylaws for the conduct of its business;
- (2) hire consultants; and
- (3) do anything necessary or convenient to carry out its powers and the purposes of this subtitle.

(b) The Commission shall:

- (1) develop and update an economic development strategic plan for the State;
- (2) seek ideas and advice from each region of the State to develop the economic development strategic plan;
- (3) incorporate into the economic development strategic plan the Maryland Port Administration strategic plan developed for the Helen Delich Bentley Port of Baltimore;
- (4) recommend to the Governor the program and spending priorities needed to implement the economic development strategic plan;
- (5) review the allocation of financing incentives;
- (6) participate in marketing the State and encouraging new businesses to locate in the State;
- (7) seek contributions from the private sector to supplement economic development programs and financial incentives to business; and
- (8) carry out other economic development activities that the Governor requests.

(c) The Commission may spend money raised under subsection (b) of this section only in accordance with the State budget.

(d) Departmental regulations that pertain to financing programs shall be approved by the Commission before adoption.

§ 2–207. Reporting Requirements.

(a) On or before January 15 of each year, the Commission shall report to the General Assembly, in accordance with § 2–1246 of the State Government Article, on its activities during the previous year.

(b) The report shall include a review of initiatives taken by the Commission and the Department to implement the economic development strategic plan.

****MEDC involvement required****

Title 5, Subtitle 3. Maryland Economic Development Assistance Authority and Fund (MEDAAF)

§ 5–321. Eligible Industry Sectors.

MARYLAND ECONOMIC DEVELOPMENT ASSISTANCE AUTHORITY AND FUND (MEDAAF).

§ 5–321. Eligible Industry Sectors.

(a) (1) After consulting with the Department and the Department of Labor, Licensing, and Regulation, each year the Maryland Economic Development Commission shall:

(i) evaluate the potential employment and economic growth of Maryland's industry sectors; and

(ii) recommend eligible industry sectors to the Authority.

(2) Each year the Authority shall:

(i) consider the recommendation of the Maryland Economic Development Commission; and

(ii) establish a list of industry sectors that will be eligible for financial assistance from the Fund.

(3) In determining whether an applicant is engaged in an eligible industry sector, the Department shall consider the definitions set forth in the North American Industry Classification System.

(b) (1) For the purpose of providing financial assistance under this subtitle, the following are deemed to be in eligible industry sectors:

(i) animal waste technology projects;

(ii) aquaculture projects;

(iii) arts and entertainment enterprises;

(iv) arts and entertainment projects;

(v) redevelopment of qualified brownfields sites;

(vi) creation or expansion of child care facilities;

(vii) projects in areas that are declared to be federal disaster areas within 1 year before the Department receives an application for financial assistance under this subtitle; and

(viii) feasibility studies.

(2) The requirements specifically imposed on significant strategic economic development opportunities and local economic development opportunities under this subtitle do not apply to the items listed in paragraph (1) of this subsection.

Appendix B: Membership Roster

Susan Ganz, Chair

CEO, Lion Brothers Company, Inc.

Timothy Adams

Founder & CEO, Systems Application and Technologies (Sa-Tech), Inc.

Paul Ausley

President, Ausley Associates, Inc.

Ward Barney

COO, Cadista Pharmaceuticals

Thomas Burlin

President & CEO, Burlin Consulting Services

Angela Franco

President & CEO, Greater Washington Hispanic Chamber of Commerce

Seth Goldman

Co-Founder, President & “TeaEO”
Honest Tea

Timothy Hodge, Jr.

Principal, Miles & Stockbridge P.C.

A. Reza Jafari

Chairman & CEO, E-Development International

Nicholas E. Johansson, Esquire

Office of the Attorney General

Raj Khera

CEO, MailerMailer LLC

Landon S. King, MD

Vice Dean for Research

The Johns Hopkins School of Medicine

William “Brit” Kirwan

Chancellor, University System of Maryland

Manish Kothari

President & CEO, Sheladia Associates, Inc.

Ricardo Martinez

President & CEO, Project Enhancement Corporation

John McLaughlin

President & CEO, DAP Products, Inc.

Ellen Moyer

Former Mayor of Annapolis

David Severn

Principal, Offit Kurman Attorneys at Law

A. Nayab Siddiqui

President & CEO, Scientific Systems and Software International Corporation

Robert Smelkinson

Chairman (Retired), Smelkinson Sysco Food Services, Inc.

Ex-Officio Member

Dana B. Stebbins, Esquire
President & CEO, The Cornelius Group

Dominick Murray
Secretary, Maryland Development of Business and Economic Development

Harold Stinger
Chairman, Stinger Ghaffarian Technologies Inc.

Appendix C: Sub-Committee Assignments

Maryland Economic Development Commission (MEDC) Subcommittee Roster

Executive

Secretary Dominick Murray
Ursula Powidzki, Assistant Secretary DBED
Suzy Ganz, Chair
Paul Ausley
Reza Jafari
Dana Stebbins
Landon King
Timothy Hodge
David Severn

Business Climate

Dana Stebbins, Esq., Chair
Angela Franco
Seth Goldman
Robert Smelkinson

Innovation, Commercialization & Entrepreneurship

Reza Jafari, *Chair*
Landon King, Vice Chair
Raj Khera
Brit Kirwan
Ricardo Martinez
A. Nayab Siddiqui
Harold Stinger

Regional Diversity & Infrastructure

Paul Ausley, Chair

Timothy Adams
Ward Barney
Thomas Burlin
Manish Kothari
John McLaughlin
Ellen Moyer

New Member
Nicholas Johansson

Timothy Hodge, Esq. *Chair Emeritus* **David Severn, Esq. *Chair Emeritus***