



COMMERCE SUBCABINET
Leading Economic Development

The mission of the Subcabinet is to advise the Governor on proposals to enhance the State's business climate; gather information the Subcabinet considers necessary to promote the goals of the Subcabinet; collaborate to facilitate and expedite critical economic development projects in the State; and provide other assistance that may be required to further the goals of the Subcabinet and enhance the State's business climate.

Members

Agriculture (AG)	Secretary Kevin Atticks, (Steve Connelly)
Commerce	Secretary Kevin Anderson, Chair, (Jerel Registre)
Environment (MDE)	Secretary Serena McIlwain, (Scott Goldman)
Governor's Office of Small, Minority, and Women's Affairs (GOSBA)	Secretary Y. Maria Martinez, (Eduardo Hayden)
Higher Education Commission (MHEC)	Secretary Sanjay Rai
Housing & Community Development (DHCD)	Secretary Jake Day, (Rosa Cruz)
Labor	Secretary Portia Wu, (Ashley Sharp)
Natural Resources (DNR)	Secretary Josh Kurtz, DNR (David Goshorn, Julia Solomon)
Planning (MDP)	Secretary Rebecca Flora, (Joe Griffiths)
State (SoS)	Secretary Susan Lee, (Cathy Bauer, Alexandria Lui)
State Department of Assessments & Taxation (SDAT)	Director Dan Phillips
Transportation (MDOT)	Secretary Paul Wiedefeld, (David Zaidain)

September 16, 2024
401 E. Pratt Street, 17th Floor Conference Room, Baltimore
1:00 – 3:00pm
Minutes

Subcabinet:

Kevin Anderson, Secretary, Department of Commerce, Chair
Kevin Atticks, Secretary, Department of Agriculture
Rebecca Flora, Secretary, Maryland Department of Planning (MDP) - Virtual
Secretary Susan Lee, Secretary of State (SoS)
Maria Martinez, Secretary, GOSBA - Virtual
Serena McIlwain, Secretary, Department of Environment, (MDE) – Virtual
Sanjay Rai, Secretary, Maryland Higher Education Commission, MHEC - Virtual
Portia Wu – Secretary of Labor – Virtual
Rosa Cruz for Secretary Jake Day, DHCD
Joe McAndrew for Secretary Paul Wiedefeld, (MDOT) – Virtual

Guests:

Jason Perkins-Cohen, Labor
Eduardo Hayden, GOSGA – Virtual
Jennifer LaHatte, Commerce – Virtual
Alexandria Liu – SoS – Virtual
Michael Lore – SoS – Virtual
Signe Pringle, Commerce
Jerel Registre, Commerce
Timothy McGowan, Commerce

Julie Woepke, Commerce

I. Meeting called to Order

Secretary Kevin Anderson called the meeting to order at 1:02pm. He briefly reviewed a summary of the Closed Session held on August 5, 2024 and the mission of the Commerce Subcabinet.

II. Review and Approval of August 5, 2024 Meeting Minutes

Upon a motion duly made and seconded, the minutes of the August 5, 2024 meeting were approved.

III. Chair's Update

Secretary Anderson reminded the Subcabinet that the Maryland Economic Development Commission (MEDC) Strategic Plan is due October 1st. The final draft was sent to the Governor for review and will move forward given the Governor's approval.

Secretary Anderson emphasized the need for the state to grow economically in a variety of ways, including but not limited to Gross Domestic Product (GDP), tax revenue, and business attraction. While the department is pursuing an aggressive economic policy, Secretary Anderson urged the Subcabinet not to forget Maryland's obligation to meet its climate goals. He also reiterated the importance of messaging, to make clear that Maryland will remain business friendly while also pursuing its climate goals.

Mrs. Julie Woepke mentioned recent articles on Ford are pulling away from the electric vehicle (EV) market, displaying a decrease in demand. Secretary McIlwain disagreed and said that her contacts at Ford stated that EVs is still one of the company's top priorities. Mr. Michael Lore pointed out that the change in EV demand might have to do with tariffs from China rather than domestic demand. Secretary McIlwain agreed with this and highlighted why Maryland is well positioned to capitalize off the shift towards EVs. For example, a state should have one (1) electric vehicle charger for every 18 cars to keep up with the demand. She stated Maryland is on track to reach this ratio. Mr. Jason Perkins-Cohen added that training the workforce to compete in a green energy economy is vital for a smooth transition.

The Subcabinet continued its open discussion on how Maryland lines up against other states when it comes to business friendliness. Secretary McIlwain discussed her dealing with Trina, a Chinese Solar Panel Company. She stated that Trina hired consultants to identify the best states to invest in, and Maryland was not on the list. Secretary McIlwain learned that land and permitting issues were huge obstacles for businesses and a reason Maryland was not able to secure Trina. Secretary Anderson added that site selection and tax structures are other factors that this company likely considered and impacted Maryland's standing. Secretary Rai urged Secretary McIlwain to connect Trina with Secretary Lee, as people with similar cultures are more likely to engage in fruitful negotiations.

An open discussion continued regarding strategies Maryland should pursue to enhance its economic position.

IV. Strategic Plan

Secretary Anderson opened the floor to Chief of Staff Jerel Registre, who provided the Subcabinet with an overview and update on the MEDC's Strategic Plan. Mr. Registre explained that Governor Wes Moore tasked the MEDC with narrowing down its subsectors to quantum, computational biology, and position, timing, and navigation (PNT). The last sector deals with the technology within the nose cone of a fighter jet, which highlights how technical and specific these sectors are. Mr. Registre explained it has been discussed that an investment of \$500 million over 5 years would be necessary to make Maryland the dominant state in all these industries. Once the plan has been approved it will go into the implementation phase, which will require working with consultants to identify how best to utilize funds and help businesses within these industries.

The Subcabinet engaged in an open discussion regarding the Strategic Plan, which touched on federal funding opportunities for quantum and partnering with DHCD on place making efforts.

To close the meeting, Ms. Rosa Cruz gave an overview of DHCD's microgrant boost program. She explained that \$2 million was available for small businesses to expand and that the deadline for funding is October 14th, at 5pm.

V. Good of the Order

No additional information was shared among the Subcabinet members.

VI. Adjournment

Upon a motion duly made and seconded, closed session was adjourned at 3:00 pm.