



Maryland

GOVERNOR'S ECONOMIC COMPETITIVENESS SUBCABINET

The mission of the subcabinet is to advise the Governor on, and identify and recommend policies, regulations, strategies, and actions that strengthen Maryland's economic competitiveness and growth on an ongoing basis; review proposed policies and procedures by executive departments and agencies impacting economic development and workforce development; coordinate the implementation of executive directives and legislation that support business and talent development in the state; track the progress of the cross-agency implementation of the Economic Strategic Plan approved by the Maryland Economic Development Commission; track the progress of the cross-agency implementation of the economic goals under the Moore-Miller Administration's Maryland State Plan; and on a biannual basis, develop and publish a consolidated economic competitiveness plan that incorporates strategies and action plans from every executive department and agency represented on the Subcabinet.

Members

Agriculture (AG)	Secretary Kevin Atticks, (Steve Connelly)
Budget and Management (DBM)	Secretary Helene Grady
Commerce	Secretary Harry Coker, Chair, (Jerel Registre)
Maryland State Department of Education (MSDE)	State Superintendent of Schools Carey Wright (Lisa Sparr & Alex Reese)
Environment (MDE)	Secretary Serena McIlwain, (Scott Goldman)
General Services (DGS)	Secretary Atif Chaudhry
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)
Maryland Clean Energy Center	Executive Director Katherine Magruder (Mary Sirios & Pamela Powers)
Maryland Economic Development Corporation	Executive Director Tom Sadowski
Maryland Technology Development Corporation	CEO Troy LeMaile-Stovall
Natural Resources (DNR)	Secretary Josh Kurtz (David Goshorn)
Planning (MDP)	Secretary Rebecca Flora, (Joe Griffiths)
State (SoS)	Secretary Susan Lee, (Alexandria Liu)
Maryland Department of Transportation (MDOT)	Secretary Paul Wiedefeld (Joe McAndrew & David Zaidan)
University System of Maryland (USM)	Chancellor Dr. Jay Perman (Diane Walters)

February 10, 2025
401 E. Pratt Street 17th Fl. Conf. Room
Baltimore, Maryland 21202
1:00 – 3:00pm
Minutes

Attendance

Subcabinet:

- Harry Coker, Secretary, Department of Commerce, Chair
- Atif Chaudhry, Secretary, Department of General Services
- Rebecca Flora, Secretary, MDP - Virtual
- Joshua Kurtz, Secretary, DNR - Virtual
- Susan Lee, Secretary, SoS
- Y. Maria Martinez, Secretary, GOSBA
- Katherine Magruder, Executive Director, Maryland Clean Energy Center - Virtual
- Serena McIlwain, Secretary, MDE
- Dr. Jay Perman, Chancellor, USM
- Tom Sadowski, Executive Director, MEDCO - Virtual
- Troy Stovall, CEO, TEDCO
- Portia Wu, Secretary, Department of Labor

Guests:

- Luis Cardona, GOBA – Virtual
- Steve Conelly, MDA
- Laura Gutierrez, GOSBA - Virtual
- Alexandria Liu, SOS
- Michael Lore, SOS
- Joe McAndrew, MDOT
- Asley Sharp, Labor
- Ben Seigel, DBM

Commerce

- Ricardo Benn
- Cori Duggins
- John Gilstrap
- Jayson Knott
- Jennifer LaHatte
- Timothy McGowan
- Jerel Registre
- Troy Wittek

I. Meeting called to Order

Secretary Coker called the meeting to order at 1:01am.

II. Attendance/Roll Call

Mr. McGowan noted attendance.

III. Minutes of the January 13, 2025 Meeting

Secretary Coker noted that Mr. McGowan made all of the requested edits to the January 13, 2025 minutes. Upon a motion duly made and seconded, the minutes of the January 13, 2025 meeting were approved.

IV. Chair's Report

Secretary Coker welcomed everyone to the Governor's Economic Competitiveness Subcabinet meeting. He provided an overview of his professional background, including his service as National Cyber Director and Executive Director of the National Security Agency. He emphasized that his expertise in cybersecurity and technology would be instrumental in supporting the growth of critical industry sectors outlined in the Strategic Plan.

Secretary Coker then reviewed the meeting agenda. He introduced Chief of Staff Jerel, who would discuss the distributed Strategic Plan and address any questions or concerns from the Subcabinet. He also highlighted the crucial link between higher education and economic development, urging the Subcabinet to reflect on how these areas can complement each other. Secretary Coker proposed the creation of a Higher Education Workgroup, including representatives from Labor, the University System of Maryland (USM), the Higher Education Commission, the State Superintendent of Schools, and Commerce, to explore this issue further. Finally, he mentioned that Deputy Secretary Ricardo Benn and Secretary Wu would share insights on the potential impacts of federal funding freezes and the actions necessary to protect businesses and federal workers.

V. Strategic Plan

Chief of Staff Jerel Registre began by explaining that economic metrics would be presented at the next meeting. He clarified that the Subcabinet's concerns regarding the measurement of success had been acknowledged, but the delays in the Strategic Plan's distribution had made it difficult to present metrics at this time. Mr. Registre emphasized the importance of first identifying specific goals, as the metrics would be determined based on those objectives.

Mr. Registre continued by describing the process through which the Strategic Plan was developed. The Maryland Economic Development Commission (MEDC) hired consultants from McKinsey & Company and Vision Planning Consulting to conduct research and outreach. Based

on the data and relevant strategies gathered, the MEDC voted on initiatives to include in the final plan, which was subsequently distributed to the Subcabinet.

The Strategic Plan consists of two main sections: the diagnostics and the strategic priorities. The diagnostics section assesses Maryland's strengths and weaknesses in areas such as macroeconomic outcomes, sectors, talent, innovation, infrastructure, business climate, diversity, economic mobility, and regional perspective. Informed by this analysis, the plan identifies three strategic priorities: boosting targeted sectors and emerging industries, creating a world-class innovation pipeline from R&D to firms, and expanding Maryland's talent advantage. Each priority includes specific initiatives. For example, the Lighthouse Initiative has a particular focus on sectors with significant economic potential, including quantum technologies, position, navigation, and timing (PNT), and computational biology. Mr. Registre opened the discussion to the Subcabinet.

Secretary Lee commended Mr. Registre and Secretary Coker for their leadership and focus on industries of the future. She highlighted the significant international opportunities within the identified sectors, citing South Korea's leadership in drone technology as an example. Drawing on her office's experience in developing and implementing the Subcabinet for International Affairs' Strategic Plan through a cross-agency effort, she offered to collaborate with Secretary Coker on strategies to execute the roadmap. This collaboration would involve techniques for enhancing interagency cooperation and amplifying the strategic initiatives. Additionally, Secretary Lee sought clarification on whether the international dimension had been integrated into the plan and inquired about the role of intellectual property (IP) within it.

Director Magruder suggested that the plan should include a focus on energy, particularly renewable technologies. Joe McAndrew expressed his support for the plan, specifically for investments in PNT, given the strong federal funding under the Trump administration, which is expected to continue at the federal level. Secretary Flora and Director Sadowski both advocated for a section on land availability, highlighting its importance for business expansion and attraction. Secretary Flora noted that preparing sites for development can be time-consuming and that the real estate market often lags behind substantial state investments. Director Sadowski added that the newly established Site Readiness Program, introduced by executive order, would help address this challenge.

Secretary McIlwain requested clarification on the Subcabinet's mission, particularly in relation to the required report as stipulated by the executive order. Secretary Coker responded that a more detailed plan outlining the next steps would be presented at the next meeting.

The Subcabinet engaged in an open discussion.

VI. Federal Actions

Secretary Coker invited Deputy Secretary Benn to discuss recent developments at the federal level. Mr. Benn explained that the executive orders issued from Washington would negatively impact many businesses and federal institutions due to funding cuts. He, along with other

colleagues from the Department of Commerce, are participating in the Federal Workforce Special Project Group, which was established by the Governor's Office. They plan to coordinate their efforts with the Department of Labor on this matter.

Mr. Benn then invited Secretary Wu to present data on the potential impacts of the funding crisis on federal workers. Approximately 160,000 federal civilian jobs are based in Maryland across 50 federal agencies, representing about 6% of the state's workforce. The largest federal employers in Maryland include the Department of Defense (31.6%), the Department of Health and Human Services (28.1%), the Department of Commerce (9.4%), and the Social Security Administration (7.0%). Of these workers, 10,400 are on probation and face potential termination, while 14,000 new hires will be affected by the federal hiring freeze. The Department of Labor is working with other Maryland agencies to mitigate the impact of the cuts by assisting with unemployment insurance enrollment and hosting virtual workshops. Secretary Wu also provided additional data on the age and income distribution of federal workers.

Secretary McIlwain inquired whether older federal workers might be able to retire early, but Secretary Wu was unsure. She also noted that Maryland has many vacancies, and some laid-off federal workers could potentially fill those positions. She suggested the creation of a "federal worker preference" program, like the veteran preference program, to assist federal workers seeking new employment. Secretary Coker added that outreach to unions should be conducted to explore possible accommodation for affected federal workers. Ben Seigel pointed out that federal layoffs could have a significant impact on the economy, as federal jobs represent 6% of Maryland's employer base but 10% of the state's wages. Dr. Perman highlighted the substantial cuts to indirect funding for the NIH, which could result in billions of dollars in reductions. Mr. Benn emphasized that funding cuts are not the only challenges Maryland faces; tariffs and grant freezes also pose significant risks to the state's economy.

VII. Good of the Order

No additional updates were provided.

VIII. Adjournment

Upon a motion duly made and seconded, the meeting was adjourned at 2:30pm.