

FLUX MARINE

500 Wood St. Bldg. 215 Bristol, RI 02809



March 27, 2026

To: The Honorable Marvin L. Abney, Chair, House Finance Committee

RE: Support for Innovation Program Funding, FY27 Budget Economic Development Article

Dear Chairman Abney and Members of the House Committee on Finance, Committee

I am writing to urge you to maintain funding for Rhode Island's **Innovative Matching Grants/Internship** program in the FY27 Budget. In the current budget proposal, this program is being cut in order to fund the Innovation Initiatives program. Both programs are critical to driving high growth businesses, attracting federal and private investment and creating high paying jobs in the State.

Since 2013, the Innovative Matching Grants/Internship program has helped companies access and leverage **\$152 million** in federal funds through the SBIR/STTR program. This program keeps innovative companies in Rhode Island. It helps companies build breakthrough technologies that attract private investment and growth. Many spin out from our research institutions. These dollars align Rhode Island companies to federal and private innovation funds - further positioning Rhode Island as a place for innovation.

Rhode Island's continued investment in innovation grants is critical—not only to our business, but also to the broader environment and regional economy. While other states presented competitive incentive packages, it was Rhode Island's diverse resources, strong government-backed programs, and accessible funding opportunities that ultimately led Flux Marine to establish and grow our operations here.

Today, we are helping lead the electric outboard motor industry, advancing sustainable technology and driving meaningful environmental improvements in recreational boating. This progress is a direct reflection of the state's commitment to innovation.

What has made the biggest difference is that this funding serves as a foundation—a magnet for start ups, enabling a web of collaboration across businesses, with access to partners, a close-knit

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community, and the ability to work quickly with other local tech companies and institutions. That environment has allowed us to move faster, solve problems more effectively, and bring new technology to market. Continued investment ensures this momentum is sustained, enabling companies like ours to keep innovating, creating jobs, and contributing to a more sustainable future.

In conclusion, I urge you to keep \$1 million funds in the Innovative Matching Grants/Internship (Innovate RI) program.

Respectfully,

Jonathan Lord

Jonathan J. Lord

CTO

Flux Marine Ltd.