

Good morning. Thank you to Chairwoman Pennycuik for hosting this hearing here at our award-winning Ben Franklin TechVentures facility and thank you to all the committee members for digging into this important technology.

My name is Wayne Barz and I'm the Chief Investment Officer and Chief Operations Officer for Ben Franklin Technology Partners of Northeastern PA. As a reminder, Ben Franklin Northeast is one of 4 Ben Franklin organizations that each cover a region of the state. We work in 21 counties in the Northeast from Berks and the Lehigh Valley in the south, up through Scranton and Wilkes Barre and further north to the New York border, as well as up the Susquehanna River Valley through Bloomsburg, Lewisburg and up to Williamsport in Lycoming County. In my 25 years with Ben Franklin, I've had the chance to work with more than 350 startup companies and founders. Our current portfolio includes 140 technology companies. We invest in a wide range of technologies, including therapeutics, diagnostics, medical devices, life sciences, advanced materials, electronics, and a lot of software. Artificial intelligence has likely played a role in either how these technologies were developed or how they're being implemented.

Artificial intelligence (AI) is poised to become a massive force in the U.S. economy, driving productivity, innovation, and economic growth at an unprecedented scale. By 2030, AI is expected to contribute up to **\$15.7 trillion** to the global economy, with the U.S. capturing a substantial share of this value through increased automation, enhanced decision-making, and the creation of new industries. McKinsey estimates that AI could boost U.S. GDP by **0.8% to 1.4% annually** by 2030, which translates into trillions in cumulative economic output. Key sectors such as healthcare, manufacturing, logistics, and finance are already leveraging AI to reduce costs, optimize operations, and deliver better outcomes, setting the stage for widespread adoption and economic gains.

AI is big. It is transformative. Over the next decade it will become as ubiquitous as voice recognition and internet-connected devices. That is to say, it will simply be baked into seemingly every aspect of our daily lives. And the more actively we embrace it into our economy today, the greater Pennsylvanias and the nations expansion will be.

One of the most significant impacts of AI will be on new business formation. According to projections by the National Bureau of Economic Research and other economic modeling organizations, AI-related innovation could lead to the creation of **up to 500,000 new companies in the U.S. by 2029**, especially in areas like generative AI, robotics, autonomous systems, and AI-driven enterprise services. Consequently, AI is also set to become a powerful engine for job creation, even as it reshapes existing roles. The World Economic Forum projects that while AI and automation may displace around **85 million jobs globally by 2025**, they will also create approximately **97 million new roles**, many of which will emerge in the U.S. economy. These new jobs will span fields such as data science, machine learning engineering, cybersecurity, AI ethics, and human-centered design. Over the next five years, AI-driven sectors in the U.S. could generate **over 2 million net new jobs**, according to the U.S. Bureau of Labor Statistics and private industry forecasts. This shift underscores the importance of workforce reskilling and education initiatives to ensure inclusive economic participation in the AI-driven era.

For more than 40 years, the Ben Franklin Technology Partners program across the state and certainly here in the Northeast, has successfully invested in promising new technologies and businesses. We embrace the entrepreneurs who embrace bold dreams. In the process of doing so, we fulfill our mission of refreshing, retaining, and reimagining highly paid sustainable jobs for the Commonwealth.