

SENATE BILL 317

C8, Q3, Q1

(7lr0194)

ENROLLED BILL

— Budget and Taxation / Ways and Means —

Introduced by **The President (By Request – Administration) and Senators Bates, Cassilly, Eckardt, Edwards, Hershey, Hough, Jennings, Mathias, McFadden, Salling, Serafini, Simonaire, ~~and Waugh~~ Waugh, Kasemeyer, Madaleno, Currie, DeGrange, Ferguson, Guzzone, King, Peters, Klausmeier, and Rosapepe**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **More Jobs for Marylanders Act of 2017**

3 FOR the purpose of requiring the Governor each fiscal year to appropriate at least a certain
4 amount for the Partnership for Workforce Quality Program; establishing the More
5 Jobs for Marylanders Program within the Department of Commerce to provide
6 certain manufacturing business entities tax credits and benefits for a certain number
7 of years; ~~providing that certain business entities receiving tax credits under certain~~
8 ~~programs are not eligible to receive the credits or benefits under the Program;~~
9 requiring the Department to administer the Program; authorizing certain types of
10 businesses to receive certain credits ~~and benefits~~ and benefits under the Program;
11 providing for the termination of certain business entities from the Program under

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber / conference committee amendments.



1 certain circumstances; authorizing the Secretary of the Department to ~~establish~~
2 adopt any regulation necessary to implement the Program; requiring the
3 Department to report to the General Assembly on or before a certain date; ~~providing~~
4 ~~that certain business entities certified under the Program are not required to pay~~
5 ~~certain fees; *providing that certain business entities certified under the Program are*~~
6 *not required to pay certain fees; establishing a Workforce Development Sequence*
7 *Scholarship to be administered by the Office of Student Financial Assistance in the*
8 *Maryland Higher Education Commission; authorizing an individual to apply to the*
9 *Office for a scholarship if the individual is an eligible student; providing for the uses*
10 *of the scholarship; establishing the maximum award amount of the scholarship;*
11 *requiring the Governor annually to include at least a certain appropriation in the*
12 *State budget to the Commission for the Workforce Development Sequence*
13 *Scholarship; requiring the Commission to submit a certain report to the General*
14 *Assembly on or before a certain date each year; requiring the State Board of*
15 *Education to develop, on or before a certain date and in consultation with the*
16 *Department of Labor, Licensing, and Regulation and the Governor's Workforce*
17 *Development Board, certain goals for percentages of certain students for completing*
18 *certain career and technical education programs and earning certain credentials;*
19 *requiring the Maryland Longitudinal Data System Center and the Board to develop*
20 *certain income earnings goals; stating certain goals of the State; requiring, on or*
21 *before a certain date, the State Board to develop a method to consider, under certain*
22 *circumstances, a student's attainment of a certain credential or completion of a*
23 *certain apprenticeship program as equivalent to a certain Advanced Placement*
24 *examination score for a certain purpose; requiring the State Board to report to the*
25 *Governor and the General Assembly on or before a certain date regarding the*
26 *progress toward attaining certain goals; requiring the Division of Workforce*
27 *Development and Adult Learning in the Department to partner with certain State*
28 *departments to identify, by a certain date, opportunities to create certain registered*
29 *apprenticeship programs for a certain purpose; requiring the Division to identify*
30 *opportunities to create certain registered apprenticeship programs to address the*
31 *workforce needs of the State; allowing a credit against the State income tax for*
32 *certain income of business entities certified under the Program; *requiring certain**
33 *manufacturing businesses to apply for a tax credit certificate from the Department of*
34 *Commerce under certain circumstances; authorizing the Department to provide for*
35 *the form and content of the application; authorizing the Department to issue tax credit*
36 *certificates, subject to certain limitations; limiting the total credit amounts for which*
37 *the Department may issue initial credit certificates for each fiscal year; requiring the*
38 *Department to give priority to certain manufacturing businesses under certain*
39 *circumstances and to notify the Comptroller of the amount of any tax credit certificates*
40 *issued; establishing the More Jobs for Marylanders Tax Credit Reserve Fund;*
41 *requiring the Governor to include a certain appropriation to the Reserve Fund in the*
42 *annual budget bill for certain fiscal years; requiring the Comptroller to transfer*
43 *certain amounts from the Reserve Fund to the General Fund under certain*
44 *circumstances; requiring the Department to report to the Governor and the General*
45 *Assembly certain information regarding the tax credit; requiring the Department and*
46 *the Comptroller to jointly adopt certain regulations; authorizing certain*
47 *manufacturing businesses to claim a refund for the sales and use tax imposed on the*

1 sale of certain personal property or services and paid by the business entity during
 2 the preceding calendar year; requiring the business entity, in order to receive the
 3 refund, to file with the Department, on or after a certain date, a certain claim and
 4 provide to the Department certain evidence; establishing the More Jobs for
 5 Marylanders Sales and Use Tax Refund Reserve Fund; requiring the Department to
 6 pay certain claims for refunds of the sales and use tax from the Reserve Fund;
 7 requiring the Governor to include a certain appropriation to the Reserve Fund in the
 8 annual budget bill in certain fiscal years; ~~authorizing an exemption from the State~~
 9 ~~sales and use tax for certain costs of certain business entities certified under the~~
 10 ~~Program; providing a credit against the State property tax for certain business~~
 11 ~~entities certified under the Program; allowing a credit against the State income tax~~
 12 for the employment of a certain eligible apprentice under certain circumstances;
 13 providing a credit against the State property tax for certain businesses certified under
 14 the Program; providing an exemption for certain property of a manufacturing entity
 15 from a certain limitation on the applicability of certain Maryland income tax
 16 modifications for certain deductions for the cost of business property placed in service
 17 that is treated as an expense for federal income tax purposes; providing an exemption
 18 for certain property of a manufacturing entity from a certain limitation on the
 19 applicability of certain Maryland income tax modifications for a certain additional
 20 depreciation allowance under the federal income tax for business property placed in
 21 service; requiring certain agencies to report certain information; stating a certain
 22 finding of the General Assembly; requiring the Governor to work with the chief
 23 executive officers of certain states to negotiate a certain agreement by a certain date;
 24 requiring the agreement to specify certain information; requiring the executives to
 25 propose certain approaches to ensure compliance with the agreement; requiring the
 26 Governor to report to certain committees of the General Assembly on or before a
 27 certain date; defining certain terms; *altering a certain definition*; providing for the
 28 application of this Act; providing for the termination of a certain provision of this
 29 Act; and generally relating to certain ~~tax credits,~~ income tax credits, incentives, and
 30 workforce development programs. ~~exemptions, and other benefits for certain~~
 31 manufacturing businesses.

32 BY repealing and reenacting, without amendments,
 33 Article – Economic Development
 34 Section ~~1–101(a), (b), (c), and (f)~~ 1–101(a), (b), and (f), 3–402, and 6–101(a) and (e)
 35 Annotated Code of Maryland
 36 (2008 Volume and 2016 Supplement)

37 BY adding to
 38 Article – Economic Development
 39 Section ~~3–411(g)~~; and 6–801 through 6–809 to be under the new subtitle “Subtitle 8.
 40 More Jobs for Marylanders Program”
 41 Annotated Code of Maryland
 42 (2008 Volume and 2016 Supplement)

43 ~~BY repealing and reenacting, with amendments,~~
 44 ~~Article – Corporations and Associations~~

1 ~~Section 1-203.1~~
 2 ~~Annotated Code of Maryland~~
 3 ~~(2014 Replacement Volume and 2016 Supplement)~~

4 BY repealing and reenacting, with amendments,
 5 Article – Corporations and Associations
 6 Section 1-203.1
 7 Annotated Code of Maryland
 8 (2014 Replacement Volume and 2016 Supplement)

9 BY repealing and reenacting, without amendments,
 10 Article – Education
 11 Section 18-101(a) through (c)
 12 Annotated Code of Maryland
 13 (2014 Replacement Volume and 2016 Supplement)

14 BY adding to
 15 Article – Education
 16 Section 18-3301 through 18-3304 to be under the new subtitle “Subtitle 33.
 17 Workforce Development Sequence Scholarships”; and 21-204
 18 Annotated Code of Maryland
 19 (2014 Replacement Volume and 2016 Supplement)

20 BY repealing and reenacting, without amendments,
 21 Article – Labor and Employment
 22 Section 11-102(a)
 23 Annotated Code of Maryland
 24 (2016 Replacement Volume)

25 BY repealing and reenacting, with amendments,
 26 Article – Labor and Employment
 27 Section 11-103
 28 Annotated Code of Maryland
 29 (2016 Replacement Volume)

30 BY repealing and reenacting, with amendments,
 31 Article – Tax – General
 32 Section ~~1-303(a)~~, 10-210.1(a) and (b)(1) and (3)
 33 Annotated Code of Maryland
 34 (2016 Replacement Volume)

35 BY adding to
 36 Article – Tax – General
 37 ~~Section 10-741 and 11-233 10-742~~
 38 Section 1-303(h), 10-741, 10-742, and 11-411
 39 Annotated Code of Maryland
 40 (2016 Replacement Volume)

1 ~~BY adding to~~
 2 ~~Article – Tax – Property~~
 3 ~~Section 9–110~~
 4 ~~Annotated Code of Maryland~~
 5 ~~(2012 Replacement Volume and 2016 Supplement)~~

6 BY adding to
 7 Article – Tax – Property
 8 Section 9–110
 9 Annotated Code of Maryland
 10 (2012 Replacement Volume and 2016 Supplement)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 12 That the Laws of Maryland read as follows:

13 **Article – Economic Development**

14 1–101.

15 (a) In this division the following words have the meanings indicated.

16 (b) “County” means a county of the State or Baltimore City.

17 (c) (1) “Qualified distressed county” means a county with:

18 (i) an average rate of unemployment for the most recent 24-month
 19 period for which data are available that exceeds 150% of the average rate of unemployment
 20 for the State during that period; [or]

21 (II) AN AVERAGE RATE OF UNEMPLOYMENT FOR THE MOST
 22 RECENT 24-MONTH PERIOD FOR WHICH DATA ARE AVAILABLE THAT EXCEEDS THE
 23 AVERAGE RATE OF UNEMPLOYMENT IN THE STATE BY AT LEAST 2 PERCENTAGE
 24 POINTS; OR

25 [(ii)] (III) an average per capita personal income for the most recent
 26 24-month period for which data are available that is equal to or less than 67% of the average
 27 per capita personal income for the State during that period.

28 (2) “Qualified distressed county” includes a county that:

29 (i) no longer meets either criterion stated in paragraph (1) of this
 30 subsection; but

31 (ii) has met at least one of the criteria at some time during the
 32 preceding 24-month period.

(e) (1) ~~“Qualified distressed county” means a county with:~~

~~(i) an average rate of unemployment for the most recent 24-month period for which data are available that exceeds 150% of the average rate of unemployment for the State during that period; or~~

~~(ii) an average per capita personal income for the most recent 24-month period for which data are available that is equal to or less than 67% of the average per capita personal income for the State during that period.~~

(2) ~~“Qualified distressed county” includes a county that:~~

~~(i) no longer meets either criterion stated in paragraph (1) of this subsection; but~~

~~(ii) has met at least one of the criteria at some time during the preceding 24-month period.~~

(f) “Secretary” means the Secretary of Commerce.

3-402.

There is a Partnership for Workforce Quality Program in the Department.

3-411.

(G) THE GOVERNOR SHALL INCLUDE IN THE STATE BUDGET FOR EACH FISCAL YEAR AN APPROPRIATION OF AT LEAST \$1,000,000 FOR THE PARTNERSHIP FOR WORKFORCE QUALITY PROGRAM.

6-101.

(a) In this title the following words have the meanings indicated.

(e) “Qualified employee” means an employee filling a qualified position.

SUBTITLE 8. MORE JOBS FOR MARYLANDERS PROGRAM.

6-801.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

1 (B) "BENEFIT YEAR" MEANS A TAXABLE YEAR IN WHICH A QUALIFIED
 2 BUSINESS ENTITY CLAIMS ~~A~~ THE A PROGRAM BENEFIT ESTABLISHED UNDER § 6-805
 3 OF THIS SUBTITLE.

4 (C) (1) "BUSINESS ENTITY" MEANS A PERSON CONDUCTING OR
 5 OPERATING A TRADE OR BUSINESS THAT IS PRIMARILY ENGAGED IN ACTIVITIES
 6 THAT, IN ACCORDANCE WITH THE NORTH AMERICAN INDUSTRIAL CLASSIFICATION
 7 SYSTEM (NAICS), UNITED STATES MANUAL, UNITED STATES OFFICE OF
 8 MANAGEMENT AND BUDGET, 2012 EDITION, WOULD BE INCLUDED IN SECTOR 31,
 9 32, OR 33.

10 (2) "BUSINESS ENTITY" DOES NOT INCLUDE A REFINER, AS DEFINED
 11 IN § 10-101 OF THE BUSINESS REGULATION ARTICLE.

12 (D) "ELIGIBLE PROJECT" MEANS A FACILITY OPERATED BY A BUSINESS
 13 ENTITY IN ~~A QUALIFIED DISTRESSED COUNTY. ALLEGANY COUNTY, BALTIMORE~~
 14 ~~CITY, DORCHESTER COUNTY, GARRETT COUNTY, SOMERSET COUNTY, WICOMICO~~
 15 ~~COUNTY, OR WORCESTER COUNTY OR ON A SITE THAT IS AT LEAST 3,000 ACRES AND~~
 16 ~~IS NOT LOCATED WITHIN ALLEGANY COUNTY, DORCHESTER COUNTY, GARRETT~~
 17 ~~COUNTY, SOMERSET COUNTY, WICOMICO COUNTY, OR WORCESTER COUNTY~~ A
 18 TIER I COUNTY OR TIER II COUNTY.

19 (E) "EXISTING BUSINESS ENTITY" MEANS A BUSINESS ENTITY THAT IS
 20 LOCATED IN THE STATE AT THE TIME IT NOTIFIES THE DEPARTMENT UNDER §
 21 6-803(C) OF THIS SUBTITLE.

22 (F) "NEW BUSINESS ENTITY" MEANS A BUSINESS ENTITY THAT IS NOT
 23 LOCATED IN THE STATE AT THE TIME IT NOTIFIES THE DEPARTMENT UNDER §
 24 6-803(B) OF THIS SUBTITLE.

25 (G) "PROGRAM" MEANS THE MORE JOBS FOR MARYLANDERS PROGRAM
 26 ESTABLISHED UNDER THIS SUBTITLE.

27 (H) "QUALIFIED BUSINESS ENTITY" MEANS A NEW BUSINESS ENTITY OR AN
 28 EXISTING BUSINESS ENTITY OPERATING AN ELIGIBLE PROJECT UNDER THIS
 29 SUBTITLE.

30 ~~(I) "QUALIFIED INCOME" MEANS A QUALIFIED BUSINESS ENTITY'S INCOME~~
 31 ~~ATTRIBUTABLE TO ACTIVITIES AT AN ELIGIBLE PROJECT.~~

32 ~~(J)~~ (I) (1) "QUALIFIED POSITION" MEANS A POSITION THAT:

33 (I) IS FULL-TIME AND OF INDEFINITE DURATION;

1 (II) PAYS AT LEAST ~~150% OF THE FEDERAL~~ 120% OF THE STATE
 2 MINIMUM WAGE;

3 (III) IS LOCATED IN A FACILITY;

4 (IV) IS NEWLY CREATED AT A SINGLE FACILITY IN THE STATE;
 5 AND

6 (V) IS FILLED.

7 (2) "QUALIFIED POSITION" DOES NOT INCLUDE A POSITION THAT IS:

8 (I) CREATED WHEN AN EMPLOYMENT FUNCTION IS SHIFTED
 9 FROM AN EXISTING FACILITY OF A BUSINESS ENTITY IN THE STATE TO ANOTHER
 10 FACILITY OF THE SAME BUSINESS ENTITY IF THE POSITION IS NOT A NET NEW JOB
 11 IN THE STATE;

12 (II) CREATED THROUGH A CHANGE IN OWNERSHIP OF A TRADE
 13 OR BUSINESS;

14 (III) CREATED THROUGH A CONSOLIDATION, MERGER, OR
 15 RESTRUCTURING OF A BUSINESS ENTITY IF THE POSITION IS NOT A NET NEW JOB IN
 16 THE STATE;

17 (IV) CREATED WHEN AN EMPLOYMENT FUNCTION IS
 18 CONTRACTUALLY SHIFTED FROM AN EXISTING BUSINESS ENTITY TO ANOTHER
 19 BUSINESS ENTITY IN THE STATE IF THE POSITION IS NOT A NET NEW JOB IN THE
 20 STATE; OR

21 (V) FILLED FOR A PERIOD OF LESS THAN 12 MONTHS.

22 (J) "TIER I COUNTY" MEANS:

23 (1) A QUALIFIED DISTRESSED COUNTY, AS DEFINED IN § 1-101 OF
 24 THIS ARTICLE; OR

25 (2) A COUNTY DESIGNATED BY THE DEPARTMENT THAT IS NOT A
 26 COUNTY DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION, NOT TO EXCEED 3
 27 COUNTIES.

28 (K) "TIER II COUNTY" MEANS A COUNTY THAT IS NOT A COUNTY DESCRIBED
 29 IN SUBSECTION (J) OF THIS SECTION.

30 6-802.

1 ~~(A)~~ THERE IS A MORE JOBS FOR MARYLANDERS PROGRAM IN THE
2 DEPARTMENT.

3 ~~(B) A BUSINESS ENTITY THAT IS RECEIVING BENEFITS UNDER THE ONE~~
4 ~~MARYLAND TAX CREDIT PROGRAM, THE JOB CREATION TAX CREDIT PROGRAM,~~
5 ~~THE ENTERPRISE ZONE PROGRAM, OR ANY OTHER JOBS BASED TAX BENEFIT~~
6 ~~PROGRAM ADMINISTERED BY THE DEPARTMENT, IS NOT ELIGIBLE TO~~
7 ~~SIMULTANEOUSLY RECEIVE BENEFITS UNDER THE PROGRAM.~~

8 6-803.

9 (A) A BUSINESS ENTITY MAY APPLY TO THE DEPARTMENT TO ENROLL AN
10 ELIGIBLE PROJECT IN THE PROGRAM IF THE ELIGIBLE PROJECT:

11 (1) IS IN A TIER I COUNTY AND THE BUSINESS ENTITY INTENDS TO
12 CREATE AT LEAST FIVE QUALIFIED POSITIONS AT THE PROJECT LOCATION; OR

13 (2) IS IN A TIER II COUNTY AND THE BUSINESS ENTITY INTENDS TO
14 CREATE AT LEAST 10 QUALIFIED POSITIONS AT THE PROJECT LOCATION.

15 (B) (1) A NEW BUSINESS ENTITY MAY NOT BE CERTIFIED AS A QUALIFIED
16 BUSINESS ENTITY UNLESS THE NEW BUSINESS ENTITY:

17 (I) NOTIFIES THE DEPARTMENT OF ITS INTENT TO SEEK
18 DESIGNATION OF AN ELIGIBLE PROJECT BEFORE ESTABLISHING ITS FACILITY IN
19 THE STATE; AND

20 (II) OFFERS AN ONGOING JOB SKILLS ENHANCEMENT TRAINING
21 PROGRAM OR POSTSECONDARY EDUCATION PROGRAM THAT IS APPROVED BY THE
22 DEPARTMENT.

23 (2) THE DEPARTMENT MAY CERTIFY A NEW BUSINESS ENTITY AS A
24 QUALIFIED BUSINESS ENTITY AFTER THE NEW BUSINESS ENTITY PROVIDES THE
25 REQUIRED NOTICE UNDER PARAGRAPH ~~(1)~~ (1)(I) OF THIS SUBSECTION, APPLIES TO
26 THE DEPARTMENT UNDER PARAGRAPH (3) OF THIS SUBSECTION, AND ESTABLISHES
27 AND OPERATES ~~A FACILITY IN A QUALIFIED DISTRESSED COUNTY~~ AN ELIGIBLE
28 PROJECT.

29 (3) A NEW BUSINESS ENTITY SHALL SUBMIT TO THE DEPARTMENT AN
30 APPLICATION CONTAINING AT LEAST THE FOLLOWING INFORMATION:

31 (I) THE ANTICIPATED DATE OF THE ESTABLISHMENT AND
32 INITIAL OPERATION OF THE FACILITY AND THE NATURE OF ITS OPERATIONS;

1 (II) THE EXPECTED LOCATION OF THE FACILITY;

2 (III) ~~THE ESTIMATED NUMBER, PAYROLL, AND TYPE OF~~
 3 ~~EMPLOYEES TO BE HIRED AT THE FACILITY;~~ THE ESTIMATED NUMBER OF QUALIFIED
 4 POSITIONS TO BE CREATED AND QUALIFIED EMPLOYEES TO BE HIRED AND THE
 5 ANTICIPATED PAYROLL OF THE NEW QUALIFIED EMPLOYEES; AND

6 (IV) ANY OTHER INFORMATION THE DEPARTMENT REQUIRES.

7 (c) (1) AN EXISTING BUSINESS ENTITY MAY APPLY TO BE CERTIFIED AS A
 8 QUALIFIED BUSINESS ENTITY IF THE EXISTING BUSINESS ENTITY INCREASES THE
 9 NUMBER OF QUALIFIED POSITIONS ~~AT AS REQUIRED UNDER SUBSECTION (A) OF~~
 10 THIS SECTION FOR AN ELIGIBLE PROJECT IN A TIER I OR TIER II COUNTY A FACILITY
 11 LOCATED IN A QUALIFIED DISTRESSED COUNTY AN ELIGIBLE PROJECT.

12 (2) AN EXISTING BUSINESS ENTITY MAY NOT BE CERTIFIED AS A
 13 QUALIFIED BUSINESS ENTITY UNLESS THE BUSINESS ENTITY;

14 (I) NOTIFIES THE DEPARTMENT OF ITS INTENT TO SEEK
 15 DESIGNATION OF AN ELIGIBLE PROJECT PRIOR TO HIRING ANY EMPLOYEES TO FILL
 16 THE QUALIFIED POSITIONS NECESSARY TO MEET THE REQUIREMENTS OF THIS
 17 SUBTITLE; AND

18 (II) OFFERS AN ONGOING JOB SKILLS ENHANCEMENT TRAINING
 19 PROGRAM OR POSTSECONDARY EDUCATION PROGRAM THAT IS APPROVED BY THE
 20 DEPARTMENT.

21 (3) AN EXISTING BUSINESS ENTITY SHALL SUBMIT AN APPLICATION
 22 TO THE DEPARTMENT CONTAINING AT LEAST THE FOLLOWING INFORMATION:

23 (I) THE NUMBER OF FULL-TIME EMPLOYEES EXISTING BEFORE
 24 THE EXPANSION AND THE PAYROLL OF THE EXISTING EMPLOYEES;

25 (II) THE ESTIMATED NUMBER OF QUALIFIED POSITIONS TO BE
 26 CREATED AND QUALIFIED EMPLOYEES TO BE HIRED AND THE ANTICIPATED
 27 PAYROLL OF THE NEW QUALIFIED EMPLOYEES; AND

28 (III) ANY OTHER INFORMATION THAT THE DEPARTMENT
 29 REQUIRES.

30 ~~(4) (D)~~ A BUSINESS ENTITY MUST BEGIN HIRING THE EMPLOYEES
 31 TO FILL THE QUALIFIED POSITIONS NECESSARY TO MEET THE REQUIREMENTS OF

1 THIS SUBTITLE WITHIN 12 MONTHS AFTER IT NOTIFIES THE DEPARTMENT OF ITS
2 INTENT TO SEEK DESIGNATION OF AN ELIGIBLE PROJECT.

3 6-804.

4 (A) THE PROGRAM ~~BENEFITS BENEFIT~~ BENEFITS AUTHORIZED UNDER THIS
5 SECTION MAY BE CLAIMED BY A QUALIFIED BUSINESS ENTITY FOR UP TO 10
6 CONSECUTIVE BENEFIT YEARS.

7 ~~(B) SUBJECT TO SUBSECTION (D) (C) OF THIS SECTION, ON ENROLLMENT IN
8 THE PROGRAM, A NEW OR EXISTING BUSINESS ENTITY IS ELIGIBLE FOR:~~

9 (B) ON ENROLLMENT IN THE PROGRAM:

10 (1) A NEW BUSINESS ENTITY IN A TIER I COUNTY IS ELIGIBLE FOR:

11 ~~(1)~~ (I) A CREDIT AGAINST THE STATE INCOME TAX, ESTABLISHED
12 UNDER § 10-741(B) OF THE TAX - GENERAL ARTICLE;²

13 (II) A CREDIT AGAINST THE STATE PROPERTY TAX,
14 ESTABLISHED UNDER § 9-110 OF THE TAX - PROPERTY ARTICLE;

15 (III) A REFUND OF SALES AND USE TAX PAID DURING THE
16 IMMEDIATELY PRECEDING TAXABLE YEAR, AS PROVIDED UNDER § 11-411 OF THE
17 TAX - GENERAL ARTICLE; AND

18 (IV) A WAIVER OF FEES CHARGED BY THE STATE DEPARTMENT
19 OF ASSESSMENTS AND TAXATION, ESTABLISHED UNDER § 1-203.1 OF THE
20 CORPORATIONS AND ASSOCIATIONS ARTICLE; AND

21 (2) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, AN
22 EXISTING BUSINESS ENTITY THAT OPERATES AN ELIGIBLE PROJECT IS ELIGIBLE FOR
23 A CREDIT AGAINST THE STATE INCOME TAX, ESTABLISHED UNDER § 10-741(B) OF
24 THE TAX - GENERAL ARTICLE.

25 (C) THE INCOME TAX CREDIT ESTABLISHED UNDER § 10-741(B) OF THE TAX
26 - GENERAL ARTICLE IS NOT AVAILABLE TO AN EXISTING BUSINESS ENTITY IF THE
27 ENTITY MOVES ITS FACILITY TO ANOTHER COUNTY IN THE STATE ON OR AFTER JUNE
28 1, 2017.

29 ~~(2) A CREDIT AGAINST THE STATE PROPERTY TAX, ESTABLISHED~~
30 ~~UNDER § 9-110 OF THE TAX - PROPERTY ARTICLE;~~

1 ~~(3) AN EXEMPTION FROM THE SALES AND USE TAX, ESTABLISHED~~
 2 ~~UNDER § 11-233 OF THE TAX GENERAL ARTICLE; AND~~

3 ~~(4) A WAIVER OF FEES CHARGED BY THE STATE DEPARTMENT OF~~
 4 ~~ASSESSMENTS AND TAXATION, ESTABLISHED UNDER § 1-203.1 OF THE~~
 5 ~~CORPORATIONS AND ASSOCIATIONS ARTICLE.~~

6 ~~(C) SUBJECT TO SUBSECTION (D) OF THIS SECTION, ON ENROLLMENT IN~~
 7 ~~THE PROGRAM, AN EXISTING BUSINESS ENTITY IS ELIGIBLE FOR A CREDIT AGAINST~~
 8 ~~THE STATE INCOME TAX, ESTABLISHED UNDER § 10-741(C) OF THE TAX GENERAL~~
 9 ~~ARTICLE.~~

10 ~~(D) (C) (D) IF THE NUMBER OF QUALIFIED POSITIONS AT THE ELIGIBLE~~
 11 ~~PROJECT DECREASES TO A NUMBER EQUAL TO OR LESS THAN THE NUMBER~~
 12 ~~ESTABLISHED IN THE FIRST BENEFIT YEAR, THE PROJECT SHALL BE REMOVED~~
 13 ~~FROM THE PROGRAM AND ALL PROGRAM BENEFITS TERMINATE THE PROGRAM~~
 14 ~~BENEFIT TERMINATES ALL PROGRAM BENEFITS TERMINATE.~~

15 **6-805.**

16 **(A) THE DEPARTMENT SHALL PROVIDE TO A QUALIFIED BUSINESS ENTITY**
 17 **A CERTIFICATE THAT:**

18 **(1) CERTIFIES THE ELIGIBLE PROJECT THAT IS ENROLLED IN THE**
 19 **PROGRAM;**

20 ~~(2) CERTIFIES THE PROGRAM BENEFITS THE QUALIFIED BUSINESS~~
 21 ~~ENTITY MAY CLAIM;~~

22 ~~(3) (2)~~ **PROVIDES THE DURATION OF THE CERTIFICATION; AND**

23 ~~(4) (3)~~ **PROVIDES ANY ADDITIONAL INFORMATION NECESSARY FOR**
 24 **THE COMPTROLLER AND DEPARTMENT TO ADMINISTER THE PROGRAM.**

25 **(B) THE DEPARTMENT MAY NOT PROVIDE A QUALIFIED BUSINESS ENTITY A**
 26 **CERTIFICATE ON OR AFTER JUNE 1, 2020.**

27 **6-806.**

28 **(A) THE DEPARTMENT MAY REVOKE ITS CERTIFICATION UNDER THIS**
 29 **SUBTITLE, IN WHOLE OR IN PART, IF ANY REPRESENTATION MADE BY A QUALIFIED**
 30 **BUSINESS ENTITY IS DETERMINED BY THE DEPARTMENT TO HAVE BEEN FALSE**
 31 **WHEN MADE.**

1 (B) IF THE DEPARTMENT REVOKES ITS CERTIFICATION AS PROVIDED
 2 UNDER SUBSECTION (A) OF THIS SECTION, THE COMPTROLLER MAY MAKE AN
 3 ASSESSMENT AGAINST THE QUALIFIED BUSINESS ENTITY TO RECAPTURE ANY
 4 AMOUNT OF A TAX CREDIT, ~~AN EXEMPTION, OR ANY OTHER BENEFIT~~ OR ANY OTHER
 5 BENEFIT THAT THE QUALIFIED BUSINESS ENTITY HAS RECEIVED.

6 **6-807.**

7 (A) THE DEPARTMENT MAY REQUIRE THAT ANY INFORMATION PROVIDED
 8 UNDER THIS SUBTITLE BE VERIFIED BY AN INDEPENDENT CERTIFIED PUBLIC
 9 ACCOUNTANT THAT THE QUALIFIED BUSINESS ENTITY AND THE DEPARTMENT
 10 SELECT.

11 (B) (1) ACCEPTANCE BY A QUALIFIED BUSINESS ENTITY OF THE
 12 PROGRAM ~~BENEFITS BENEFIT~~ BENEFITS UNDER THIS SUBTITLE SHALL BE DEEMED
 13 TO AUTHORIZE THE COMPTROLLER TO SHARE WITH THE DEPARTMENT ANY
 14 INFORMATION RECEIVED FROM A QUALIFIED BUSINESS ENTITY ABOUT ELIGIBILITY
 15 FOR ~~A THE~~ A BENEFIT ALLOWED UNDER THIS SUBTITLE.

16 (2) INFORMATION THAT IS RECEIVED BY THE DEPARTMENT OR
 17 COMPTROLLER UNDER PARAGRAPH (1) OF THIS SUBSECTION IS SUBJECT TO
 18 CONFIDENTIALITY REQUIREMENTS ESTABLISHED BY LAW.

19 **6-808.**

20 THE SECRETARY MAY ~~ESTABLISH~~ ADOPT ANY REGULATION NECESSARY AND
 21 APPROPRIATE TO CARRY OUT THIS SUBTITLE.

22 **6-809.**

23 ON OR BEFORE DECEMBER 1 EACH YEAR, THE DEPARTMENT SHALL REPORT
 24 TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE
 25 GOVERNMENT ARTICLE, ON THE QUALIFIED BUSINESS ENTITIES RECEIVING FINAL
 26 CERTIFICATION IN THE PRECEDING FISCAL YEAR.

27 *Article – Corporations and Associations*

28 *1-203.1.*

29 (A) *With the exception of the recording fee to be paid when the Department accepts*
 30 *articles of incorporation for record, a volunteer fire company or volunteer rescue squad*
 31 *incorporated in this State is not subject to any of the recording, filing, or special fees*
 32 *enumerated in § 1-203 of this subtitle.*

1 **(B) A QUALIFIED BUSINESS ENTITY THAT IS A NEW BUSINESS ENTITY IN A**
 2 **TIER I COUNTY, AS DEFINED UNDER THE MORE JOBS FOR MARYLANDERS PROGRAM**
 3 **ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT**
 4 **ARTICLE, IS NOT SUBJECT TO THE FEES ENUMERATED IN § 1-203 OF THIS SUBTITLE.**

5 **Article — Corporations and Associations**

6 ~~1-203.1.~~

7 ~~(A) With the exception of the recording fee to be paid when the Department~~
 8 ~~accepts articles of incorporation for record, a volunteer fire company or volunteer rescue~~
 9 ~~squad incorporated in this State is not subject to any of the recording, filing, or special fees~~
 10 ~~enumerated in § 1-203 of this subtitle.~~

11 ~~(B) A QUALIFIED BUSINESS ENTITY THAT IS A NEW BUSINESS ENTITY, AS~~
 12 ~~DEFINED UNDER THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED~~
 13 ~~UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE, IS NOT~~
 14 ~~SUBJECT TO THE FEES ENUMERATED IN § 1-203 OF THIS SUBTITLE.~~

15 **Article – Education**

16 ~~18-101.~~

17 (a) In this title the following words have the meanings indicated.

18 (b) “Commission” means the Maryland Higher Education Commission.

19 (c) “Office” means the Office of Student Financial Assistance.

20 **SUBTITLE 33. WORKFORCE DEVELOPMENT SEQUENCE SCHOLARSHIPS.**

21 ~~18-3301.~~

22 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
 23 **INDICATED.**

24 **(B) “ELIGIBLE STUDENT” MEANS A STUDENT WHO:**

25 **(1) IS A MARYLAND RESIDENT OR HAS GRADUATED FROM A**
 26 **MARYLAND HIGH SCHOOL; AND**

27 **(2) IS ENROLLED IN A WORKFORCE DEVELOPMENT SEQUENCE AT A**
 28 **PUBLIC COMMUNITY COLLEGE IN THE STATE.**

1 **(C) (1) "WORKFORCE DEVELOPMENT SEQUENCE" MEANS A PROGRAM**
2 **OFFERED BY A COMMUNITY COLLEGE THAT IS APPROVED BY THE COMMISSION AND**
3 **IS COMPOSED OF COURSES THAT ARE RELATED TO:**

4 **(I) JOB PREPARATION OR AN APPRENTICESHIP;**

5 **(II) LICENSURE OR CERTIFICATION; OR**

6 **(III) JOB SKILL ENHANCEMENT.**

7 **(2) "WORKFORCE DEVELOPMENT SEQUENCE" DOES NOT INCLUDE A**
8 **SEQUENCE OF COURSES LEADING TO AN ASSOCIATE'S OR BACHELOR'S DEGREE.**

9 **(D) "WORKFORCE DEVELOPMENT SEQUENCE SCHOLARSHIP" MEANS AN**
10 **AWARD MADE TO AN ELIGIBLE STUDENT UNDER THIS SUBTITLE.**

11 **18-3302.**

12 **THERE IS A WORKFORCE DEVELOPMENT SEQUENCE SCHOLARSHIP**
13 **ADMINISTERED BY THE OFFICE.**

14 **18-3303.**

15 **(A) AN INDIVIDUAL MAY APPLY TO THE OFFICE FOR A SCHOLARSHIP UNDER**
16 **THIS SECTION IF THE INDIVIDUAL IS AN ELIGIBLE STUDENT.**

17 **(B) AN ELIGIBLE STUDENT WHO RECEIVES A WORKFORCE DEVELOPMENT**
18 **SEQUENCE SCHOLARSHIP UNDER THIS SUBTITLE MAY USE THE AWARD FOR**
19 **TUITION, MANDATORY FEES, AND OTHER ASSOCIATED COSTS OF ATTENDANCE.**

20 **(C) THE ANNUAL AMOUNT OF A SCHOLARSHIP AWARDED TO AN ELIGIBLE**
21 **STUDENT MAY NOT EXCEED \$2,000.**

22 **(D) THE GOVERNOR SHALL PROVIDE IN THE ANNUAL BUDGET AN**
23 **APPROPRIATION OF AT LEAST ~~\$2,000,000~~ \$1,000,000 TO THE COMMISSION FOR THE**
24 **WORKFORCE DEVELOPMENT SEQUENCE SCHOLARSHIP.**

25 **18-3304.**

26 **ON OR BEFORE DECEMBER 1 EACH YEAR, THE COMMISSION SHALL REPORT**
27 **TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE**
28 **GOVERNMENT ARTICLE, ON:**

1 **(1) THE NUMBER OF STUDENTS WHO RECEIVED A WORKFORCE**
2 **DEVELOPMENT SEQUENCE SCHOLARSHIP;**

3 **(2) THE AMOUNT OF THE AWARD MADE TO EACH RECIPIENT;**

4 **(3) THE COMMUNITY COLLEGE THAT THE RECIPIENT ATTENDED; AND**

5 **(4) THE WORKFORCE DEVELOPMENT SEQUENCE IN WHICH THE**
6 **RECIPIENT ENROLLED.**

7 **21-204.**

8 **(A) ON OR BEFORE DECEMBER 1, 2017, THE STATE BOARD, IN**
9 **CONSULTATION WITH THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION**
10 **AND THE GOVERNOR'S WORKFORCE DEVELOPMENT BOARD, SHALL ESTABLISH,**
11 **FOR EACH YEAR FOR 2018 THROUGH 2024, INCLUSIVE, STATEWIDE GOALS THAT**
12 **REACH ~~THE GOAL IDENTIFIED IN SUBSECTION (C) OF THIS SECTION~~ 45% BY**
13 **JANUARY 1, 2025, FOR THE PERCENTAGES OF HIGH SCHOOL GRADUATES TO**
14 **STUDENTS WHO, PRIOR TO GRADUATION:**

15 **(1) COMPLETE ~~EACH~~ A CAREER AND TECHNICAL EDUCATION (CTE)**
16 **PROGRAM; AND**

17 **(2) EARN INDUSTRY-RECOGNIZED OCCUPATIONAL OR SKILL**
18 **CREDENTIALS; OR**

19 **(3) COMPLETE A REGISTERED YOUTH OR OTHER APPRENTICESHIP.**

20 **(B) ON OR BEFORE DECEMBER 1, 2017, THE MARYLAND LONGITUDINAL**
21 **DATA SYSTEM CENTER AND THE GOVERNOR'S WORKFORCE DEVELOPMENT BOARD**
22 **SHALL DEVELOP ANNUAL INCOME EARNINGS GOALS FOR HIGH SCHOOL GRADUATES**
23 **WHO HAVE NOT EARNED AT LEAST A 2-YEAR COLLEGE DEGREE BY AGE 25.**

24 **~~(C) IT IS THE GOAL OF THE STATE THAT, ON OR BEFORE JANUARY 1, 2025,~~**
25 **~~AT LEAST 45% OF THE STUDENTS DESCRIBED UNDER SUBSECTION (A) OF THIS~~**
26 **~~SECTION SHALL SUCCESSFULLY COMPLETE A CTE PROGRAM OR EARN INDUSTRY~~**
27 **~~RECOGNIZED OCCUPATIONAL OR SKILL CREDENTIALS BEFORE LEAVING HIGH~~**
28 **~~SCHOOL.~~**

29 **~~(D)~~ ON OR BEFORE DECEMBER 1, 2017, THE STATE BOARD SHALL DEVELOP**
30 **A METHOD TO CONSIDER A STUDENT'S ATTAINMENT OF A STATE-APPROVED**
31 **INDUSTRY CREDENTIAL OR COMPLETION OF AN APPRENTICESHIP PROGRAM AS**
32 **EQUIVALENT TO EARNING A SCORE OF 3 OR BETTER ON AN ADVANCED PLACEMENT**

1 EXAMINATION FOR PURPOSES OF THE MARYLAND ACCOUNTABILITY PROGRAM
2 ESTABLISHED BY THE DEPARTMENT IF THE STUDENT:

3 (1) (I) WAS ENROLLED IN THE STATE-APPROVED CTE PROGRAM
4 AT THE CONCENTRATOR LEVEL OR HIGHER; AND

5 (II) SUCCESSFULLY EARNED THE CREDENTIAL ALIGNED WITH
6 THE STATE-APPROVED CTE PROGRAM; OR

7 (2) SUCCESSFULLY COMPLETED A YOUTH OR OTHER
8 APPRENTICESHIP TRAINING PROGRAM APPROVED BY THE MARYLAND
9 APPRENTICESHIP TRAINING COUNCIL IN ACCORDANCE WITH § 11-405 OF THE
10 LABOR AND EMPLOYMENT ARTICLE.

11 ~~(E)~~ (D) ON OR BEFORE DECEMBER 1, 2017, AND DECEMBER 1 OF EACH
12 YEAR THEREAFTER, THE STATE BOARD SHALL REPORT TO THE GOVERNOR AND, IN
13 ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL
14 ASSEMBLY ON THE PROGRESS TOWARD ATTAINING THE GOALS ESTABLISHED BY
15 THE STATE BOARD IN ACCORDANCE WITH SUBSECTION (A) OF THIS SECTION AND
16 THE GOALS ESTABLISHED UNDER SUBSECTION (B) OF THIS SECTION.

17 Article – Labor and Employment

18 11-102.

19 (a) There is a Division of Workforce Development and Adult Learning within the
20 Department of Labor, Licensing, and Regulation.

21 11-103.

22 (a) The Division shall:

23 (1) promote apprenticeship and training programs;

24 (2) administer job training, placement, and service programs;

25 (3) implement the provisions of the federal Workforce Innovation and
26 Opportunity Act;

27 (4) administer adult education and literacy services programs;

28 (5) conduct educational and job skills training programs in adult
29 correctional facilities;

1 **(3) “DEPARTMENT” MEANS THE DEPARTMENT OF COMMERCE.**

2 ~~(3)~~ **(4) “ELIGIBLE PROJECT” HAS THE MEANING STATED IN § 6-801**
3 **OF THE ECONOMIC DEVELOPMENT ARTICLE.**

4 ~~(4)~~ **(5) “EXISTING BUSINESS ENTITY” HAS THE MEANING STATED**
5 **IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.**

6 ~~(5)~~ **(6) “NEW BUSINESS ENTITY” HAS THE MEANING STATED IN**
7 **§ 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.**

8 ~~(6)~~ **(7) “QUALIFIED BUSINESS ENTITY” HAS THE MEANING STATED**
9 **IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.**

10 ~~(7) “QUALIFIED DISTRESSED COUNTY” HAS THE MEANING STATED IN~~
11 ~~**§ 1-101(E) OF THE ECONOMIC DEVELOPMENT ARTICLE.**~~

12 ~~(8) “QUALIFIED INCOME” HAS THE MEANING STATED IN § 6-801 OF~~
13 ~~**THE ECONOMIC DEVELOPMENT ARTICLE.**~~

14 ~~(9)~~ ~~(7)~~ **(8) “QUALIFIED POSITION” HAS THE MEANING STATED IN §**
15 **6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.**

16 **(9) “TIER I COUNTY” HAS THE MEANING STATED IN § 6-801 OF THE**
17 **ECONOMIC DEVELOPMENT ARTICLE.**

18 **(10) “TIER II COUNTY” HAS THE MEANING STATED IN § 6-801 OF THE**
19 **ECONOMIC DEVELOPMENT ARTICLE.**

20 ~~(B) AN INDIVIDUAL OR CORPORATION THAT IS A NEW BUSINESS ENTITY AND~~
21 ~~**A QUALIFIED BUSINESS ENTITY MAY CLAIM A CREDIT AGAINST THE STATE INCOME**~~
22 ~~**TAX APPLICABLE TO ALL QUALIFIED INCOME OF THE ENTITY DURING THE TAXABLE**~~
23 ~~**YEAR.**~~

24 ~~(C)~~ **(B) (1) AN SUBJECT TO THE LIMITATIONS OF THIS SECTION, AN**
25 **INDIVIDUAL OR CORPORATION THAT IS A NEW BUSINESS ENTITY THAT OPERATES AN**
26 **ELIGIBLE PROJECT IN A TIER I COUNTY OR AN EXISTING BUSINESS ENTITY AND A**
27 **QUALIFIED BUSINESS ENTITY THAT OPERATES AN ELIGIBLE PROJECT MAY CLAIM A**
28 **CREDIT AGAINST THE STATE INCOME TAX EQUAL TO THE AMOUNT PROVIDED UNDER**
29 **PARAGRAPH (3) (2) OF THIS SUBSECTION STATED IN THE FINAL TAX CREDIT**
30 **CERTIFICATE APPROVED BY THE DEPARTMENT FOR AN ELIGIBLE PROJECT.**

31 **(2) THE AMOUNT OF THE CREDIT AUTHORIZED UNDER PARAGRAPH**
32 **(1) OF THIS SUBSECTION IS EQUAL TO THE PRODUCT OF:**

1 (I) THE STATE EMPLOYER WITHHOLDING AMOUNT, WHICH IS
2 EQUAL TO THE HIGHEST TAX RATE LISTED IN § 10-105(A) OF THIS TITLE; AND

3 (II) THE TOTAL AMOUNT OF WAGES PAID FOR EACH QUALIFIED
4 POSITION AT AN ELIGIBLE PROJECT.

5 (3) IF THE TAX CREDIT ALLOWED UNDER THIS SECTION IN ANY
6 TAXABLE YEAR EXCEEDS THE TOTAL TAX OTHERWISE PAYABLE BY THE QUALIFIED
7 BUSINESS ENTITY FOR THAT TAXABLE YEAR, THE QUALIFIED BUSINESS ENTITY MAY
8 CLAIM A REFUND IN THE AMOUNT OF THE EXCESS.

9 ~~(3) FOR ANY TAXABLE YEAR, THE CREDIT UNDER THIS PARAGRAPH~~
10 ~~MAY NOT EXCEED THE AMOUNT OF QUALIFIED INCOME OF THE ENTITY.~~

11 ~~(D)(C) (1) THE UNUSED AMOUNT OF A CREDIT AUTHORIZED UNDER~~
12 ~~THIS SECTION MAY NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.~~

13 ~~(2) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE~~
14 ~~YEAR EXCEEDS THE STATE INCOME TAX FOR THAT TAXABLE YEAR, AN INDIVIDUAL~~
15 ~~OR A CORPORATION MAY CLAIM A REFUND IN THE AMOUNT OF THE EXCESS.~~

16 (C) (1) ON ENROLLMENT IN THE MORE JOBS FOR MARYLANDERS
17 PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC
18 DEVELOPMENT ARTICLE, A QUALIFIED BUSINESS ENTITY SHALL APPLY TO THE
19 DEPARTMENT FOR A TAX CREDIT CERTIFICATE.

20 (2) THE APPLICATION SHALL BE IN THE FORM AND SHALL CONTAIN
21 THE INFORMATION THE DEPARTMENT REQUIRES.

22 (3) (I) SUBJECT TO SUBSECTIONS (D) AND (E) OF THIS SECTION,
23 THE DEPARTMENT MAY ISSUE A TAX CREDIT CERTIFICATE TO A QUALIFIED BUSINESS
24 ENTITY IN AN AMOUNT NOT TO EXCEED THE AMOUNT DETERMINED UNDER
25 SUBSECTION (B)(2) OF THIS SECTION.

26 (II) IN DETERMINING THE ALLOCATION OF THE AGGREGATE TAX
27 CREDIT AMOUNTS AVAILABLE IN A FISCAL YEAR AS PROVIDED UNDER SUBSECTION
28 (D) OF THIS SECTION, THE DEPARTMENT SHALL GIVE PRIORITY TO APPLICATIONS
29 FOR ELIGIBLE PROJECTS IN A TIER I COUNTY, AS DEFINED UNDER § 6-801 OF THE
30 ECONOMIC DEVELOPMENT ARTICLE.

31 (D) (1) IN THIS SUBSECTION, "RESERVE FUND" MEANS THE MORE JOBS
32 FOR MARYLANDERS TAX CREDIT RESERVE FUND ESTABLISHED UNDER PARAGRAPH
33 (2) OF THIS SUBSECTION.

1 **(2) (I) THERE IS A MORE JOBS FOR MARYLANDERS TAX CREDIT**
2 **RESERVE FUND THAT IS A SPECIAL CONTINUING, NONLAPSING FUND THAT IS NOT**
3 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

4 **(II) THE MONEY IN THE RESERVE FUND SHALL BE INVESTED**
5 **AND REINVESTED BY THE TREASURER, AND INTEREST AND EARNINGS SHALL BE**
6 **CREDITED TO THE GENERAL FUND.**

7 **(3) (I) SUBJECT TO THE LIMITATIONS OF THIS SUBSECTION, THE**
8 **DEPARTMENT SHALL ISSUE AN INITIAL TAX CREDIT CERTIFICATE IN AN AMOUNT**
9 **EQUAL TO A PERCENTAGE OF TOTAL WAGES PAID FOR EACH QUALIFIED POSITION AT**
10 **AN ELIGIBLE PROJECT AS CALCULATED UNDER SUBSECTION (B)(2) OF THIS**
11 **SECTION.**

12 **(II) AN INITIAL TAX CREDIT CERTIFICATE ISSUED UNDER THIS**
13 **SUBSECTION SHALL STATE THE MAXIMUM AMOUNT OF TAX CREDIT FOR WHICH THE**
14 **QUALIFIED BUSINESS ENTITY IS ELIGIBLE.**

15 **(III) 1. EXCEPT AS OTHERWISE PROVIDED IN THIS**
16 **SUBPARAGRAPH, FOR ANY FISCAL YEAR, THE DEPARTMENT MAY NOT ISSUE INITIAL**
17 **TAX CREDIT CERTIFICATES FOR CREDIT AMOUNTS IN THE AGGREGATE TOTALING**
18 **MORE THAN \$9,000,000 IN A FISCAL YEAR.**

19 **2. IF THE AGGREGATE CREDIT AMOUNTS UNDER INITIAL**
20 **TAX CREDIT CERTIFICATES ISSUED IN A FISCAL YEAR TOTAL LESS THAN THE**
21 **MAXIMUM PROVIDED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, ANY**
22 **EXCESS AMOUNT SHALL REMAIN IN THE RESERVE FUND AND MAY BE ISSUED UNDER**
23 **INITIAL TAX CREDIT CERTIFICATES FOR THE NEXT FISCAL YEAR.**

24 **3. FOR ANY FISCAL YEAR, IF FUNDS ARE TRANSFERRED**
25 **FROM THE RESERVE FUND UNDER THE AUTHORITY OF ANY PROVISION OF LAW**
26 **OTHER THAN UNDER PARAGRAPH (4) OF THIS SUBSECTION, THE MAXIMUM CREDIT**
27 **AMOUNTS IN THE AGGREGATE FOR WHICH THE DEPARTMENT MAY ISSUE INITIAL TAX**
28 **CREDIT CERTIFICATES SHALL BE REDUCED BY THE AMOUNT TRANSFERRED.**

29 **(IV) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR**
30 **THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN**
31 **APPROPRIATION TO THE RESERVE FUND IN AN AMOUNT THAT IS NO LESS THAN THE**
32 **AMOUNT THE DEPARTMENT REPORTS IS NECESSARY UNDER SUBSECTION (E) OF**
33 **THIS SECTION TO:**

34 **1. MAINTAIN THE CURRENT LEVEL OF MANUFACTURING**
35 **ACTIVITY IN THE STATE; AND**

1 2. ATTRACT NEW MANUFACTURING ACTIVITY TO THE
2 STATE.

3 (V) NOTWITHSTANDING THE PROVISIONS OF § 7-213 OF THE
4 STATE FINANCE AND PROCUREMENT ARTICLE, THE GOVERNOR MAY NOT REDUCE
5 AN APPROPRIATION TO THE RESERVE FUND IN THE STATE BUDGET AS APPROVED
6 BY THE GENERAL ASSEMBLY.

7 (VI) BASED ON AN AMOUNT EQUAL TO A PERCENTAGE OF THE
8 TOTAL ACTUAL WAGES PAID FOR EACH QUALIFIED POSITION AT AN ELIGIBLE
9 PROJECT AS CALCULATED UNDER SUBSECTION (B)(2) OF THIS SECTION, THE
10 DEPARTMENT SHALL ISSUE A FINAL TAX CREDIT CERTIFICATE TO THE QUALIFIED
11 BUSINESS ENTITY.

12 (4) (I) EXCEPT AS PROVIDED IN THIS PARAGRAPH, MONEY
13 APPROPRIATED TO THE RESERVE FUND SHALL REMAIN IN THE FUND.

14 (II) 1. WITHIN 15 DAYS AFTER THE END OF EACH CALENDAR
15 QUARTER, THE DEPARTMENT SHALL NOTIFY THE COMPTROLLER AS TO EACH FINAL
16 CREDIT CERTIFICATE ISSUED DURING THE QUARTER:

17 A. THE MAXIMUM CREDIT AMOUNT STATED IN THE
18 INITIAL TAX CREDIT CERTIFICATE FOR THE QUALIFIED BUSINESS ENTITY; AND

19 B. THE FINAL CERTIFIED CREDIT AMOUNT FOR THE
20 QUALIFIED BUSINESS ENTITY.

21 2. ON NOTIFICATION THAT A FINAL CREDIT AMOUNT HAS
22 BEEN CERTIFIED, THE COMPTROLLER SHALL TRANSFER AN AMOUNT EQUAL TO THE
23 CREDIT AMOUNT STATED IN THE INITIAL TAX CREDIT CERTIFICATE FOR THE
24 QUALIFIED BUSINESS ENTITY FROM THE RESERVE FUND TO THE GENERAL FUND.

25 (E) ON OR BEFORE JULY 1 EACH YEAR, THE DEPARTMENT SHALL REPORT
26 TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT
27 ARTICLE, THE GENERAL ASSEMBLY ON THE AMOUNT OF TAX CREDITS NECESSARY
28 TO:

29 (1) MAINTAIN THE CURRENT LEVEL OF MANUFACTURING ACTIVITY IN
30 THE STATE; AND

31 (2) ATTRACT NEW MANUFACTURING ACTIVITY TO THE STATE.

1 **(F) THE DEPARTMENT AND THE COMPTROLLER JOINTLY SHALL ADOPT**
2 **REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION AND TO SPECIFY**
3 **CRITERIA AND PROCEDURES FOR THE APPLICATION FOR, APPROVAL OF, AND**
4 **MONITORING OF CONTINUING ELIGIBILITY FOR THE TAX CREDIT UNDER THIS**
5 **SECTION.**
6 **11-411.**

7 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
8 **INDICATED.**

9 **(2) “BUSINESS ENTITY” HAS THE MEANING STATED IN § 6-801 OF THE**
10 **ECONOMIC DEVELOPMENT ARTICLE.**

11 **(3) “DEPARTMENT” MEANS THE DEPARTMENT OF COMMERCE.**

12 **(4) “ELIGIBLE PROJECT” HAS THE MEANING STATED IN § 6-801 OF**
13 **THE ECONOMIC DEVELOPMENT ARTICLE.**

14 **(5) “NEW BUSINESS ENTITY” HAS THE MEANING STATED IN § 6-801**
15 **OF THE ECONOMIC DEVELOPMENT ARTICLE.**

16 **(6) “PROGRAM” MEANS THE MORE JOBS FOR MARYLANDERS**
17 **PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC**
18 **DEVELOPMENT ARTICLE.**

19 **(7) “QUALIFIED BUSINESS ENTITY” MEANS A NEW BUSINESS ENTITY**
20 **OPERATING AN ELIGIBLE PROJECT UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC**
21 **DEVELOPMENT ARTICLE.**

22 **(8) “QUALIFIED PERSONAL PROPERTY OR SERVICES” MEANS**
23 **PERSONAL PROPERTY OR SERVICES PURCHASED FOR USE AT AN ELIGIBLE PROJECT**
24 **BY A QUALIFIED BUSINESS ENTITY THAT IS ENROLLED IN THE PROGRAM.**

25 **(9) “RESERVE FUND” MEANS THE MORE JOBS FOR MARYLANDERS**
26 **SALES AND USE TAX REFUND RESERVE FUND ESTABLISHED UNDER THIS SECTION.**

27 **(B) EXCEPT AS PROVIDED IN § 6-805(B) OF THE ECONOMIC DEVELOPMENT**
28 **ARTICLE AND SUBJECT TO SUBSECTION (C) OF THIS SECTION, A QUALIFIED**
29 **BUSINESS ENTITY IS ENTITLED TO A REFUND FOR THE AMOUNT OF SALES AND USE**
30 **TAX PAID BY THE QUALIFIED BUSINESS ENTITY DURING THE IMMEDIATELY**
31 **PRECEDING CALENDAR YEAR FOR A SALE OF QUALIFIED PERSONAL PROPERTY OR**
32 **SERVICES MADE ON OR AFTER JANUARY 1, 2018, IF THE QUALIFIED PERSONAL**
33 **PROPERTY OR SERVICES ARE PURCHASED BY THE QUALIFIED BUSINESS ENTITY**

1 SOLELY FOR USE AT AN ELIGIBLE PROJECT WHILE THE PROJECT IS ENROLLED IN
2 THE PROGRAM.

3 (C) A QUALIFIED BUSINESS ENTITY MAY CLAIM THE REFUND AUTHORIZED
4 UNDER SUBSECTION (B) OF THIS SECTION BY:

5 (1) ON OR AFTER JANUARY 1 OF THE CALENDAR YEAR IMMEDIATELY
6 FOLLOWING THE PURCHASE OF THE QUALIFIED PERSONAL PROPERTY OR SERVICES,
7 FILING A CLAIM FOR REFUND WITH THE DEPARTMENT; AND

8 (2) PROVIDING THE DEPARTMENT ANY EVIDENCE THAT THE
9 DEPARTMENT REQUIRES BY REGULATION.

10 (D) (1) THERE IS A MORE JOBS FOR MARYLANDERS SALES AND USE TAX
11 REFUND RESERVE FUND THAT IS A SPECIAL CONTINUING, NONLAPSING FUND THAT
12 IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

13 (2) THE MONEY IN THE RESERVE FUND SHALL BE INVESTED AND
14 REINVESTED BY THE STATE TREASURER, AND INTEREST AND EARNINGS SHALL BE
15 CREDITED TO THE GENERAL FUND.

16 (3) THE DEPARTMENT SHALL ISSUE A REFUND IN AN AMOUNT EQUAL
17 TO THE AMOUNT CLAIMED BY THE QUALIFIED BUSINESS ENTITY UNDER SUBSECTION
18 (C) OF THIS SECTION.

19 (4) (I) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBPARAGRAPH,
20 FOR ANY FISCAL YEAR, THE DEPARTMENT MAY NOT ISSUE SALES AND USE TAX
21 REFUNDS IN AMOUNTS IN THE AGGREGATE TOTALING MORE THAN \$1,000,000 IN A
22 FISCAL YEAR.

23 (II) IF THE AGGREGATE AMOUNT OF SALES AND USE TAX
24 REFUNDS ISSUED IN A FISCAL YEAR TOTALS LESS THAN THE MAXIMUM PROVIDED
25 UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, ANY EXCESS AMOUNT SHALL BE
26 TRANSFERRED TO THE MORE JOBS FOR MARYLANDERS TAX CREDIT RESERVE
27 FUND ESTABLISHED UNDER § 10-741 OF THIS ARTICLE.

28 (III) FOR ANY FISCAL YEAR, IF FUNDS ARE TRANSFERRED FROM
29 THE RESERVE FUND UNDER AUTHORITY OF ANY PROVISION OF LAW, THE MAXIMUM
30 AMOUNTS IN THE AGGREGATE FOR WHICH THE DEPARTMENT MAY ISSUE SALES AND
31 USE TAX REFUNDS SHALL BE REDUCED BY THE AMOUNT TRANSFERRED.

32 (5) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, THE
33 GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION TO
34 THE RESERVE FUND.

1 **(6) NOTWITHSTANDING THE PROVISIONS OF § 7-213 OF THE STATE**
 2 **FINANCE AND PROCUREMENT ARTICLE, THE GOVERNOR MAY NOT REDUCE AN**
 3 **APPROPRIATION TO THE RESERVE FUND IN THE STATE BUDGET AS APPROVED BY**
 4 **THE GENERAL ASSEMBLY.**

5 **(E) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE**
 6 **PROVISIONS OF THIS SECTION AND TO SPECIFY CRITERIA AND PROCEDURES FOR**
 7 **THE APPLICATION FOR, APPROVAL OF, AND MONITORING OF CONTINUING**
 8 **ELIGIBILITY FOR SALES AND USE TAX REFUNDS UNDER THIS SECTION.**

9 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
 10 as follows:

11 **Article – Tax – General**

12 **10-742.**

13 **(A) IN THIS SECTION, “ELIGIBLE APPRENTICE” MEANS AN INDIVIDUAL WHO:**

14 **(1) IS ENROLLED IN AN APPRENTICESHIP TRAINING PROGRAM**
 15 **REGISTERED WITH THE MARYLAND APPRENTICESHIP AND TRAINING COUNCIL IN**
 16 **ACCORDANCE WITH § 11-405 OF THE LABOR AND EMPLOYMENT ARTICLE; AND**

17 **(2) HAS BEEN EMPLOYED BY THE TAXPAYER FOR AT LEAST 7 FULL**
 18 **MONTHS OF THE TAXABLE YEAR.**

19 **(B) SUBJECT TO THE LIMITATIONS OF THIS SECTION, A TAXPAYER MAY**
 20 **CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR THE FIRST YEAR OF**
 21 **EMPLOYMENT OF AN ELIGIBLE APPRENTICE.**

22 **(C) (1) FOR ANY TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS**
 23 **SECTION MAY NOT EXCEED THE LESSER OF:**

24 **(i) \$1,000 FOR EACH ELIGIBLE APPRENTICE; OR**

25 **(ii) THE STATE INCOME TAX IMPOSED FOR THE TAXABLE YEAR**
 26 **CALCULATED BEFORE THE APPLICATION OF THE CREDITS ALLOWED UNDER THIS**
 27 **SECTION AND UNDER §§ 10-701 AND 10-701.1 OF THIS SUBTITLE BUT AFTER THE**
 28 **APPLICATION OF ANY OTHER CREDIT ALLOWED UNDER THIS SUBTITLE.**

29 **(2) IF THE CREDIT OTHERWISE ALLOWABLE UNDER SUBSECTION (B)**
 30 **OF THIS SECTION EXCEEDS THE LIMIT UNDER PARAGRAPH (1) OF THIS SUBSECTION,**
 31 **AN INDIVIDUAL MAY APPLY THE EXCESS AS A CREDIT AGAINST THE STATE INCOME**

1 TAX FOR SUCCEEDING TAXABLE YEARS UNTIL THE FULL AMOUNT OF THE EXCESS IS
 2 USED.

3 (3) FOR ANY TAXABLE YEAR, THE TOTAL AMOUNT OF CREDITS
 4 APPROVED BY THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION UNDER
 5 THIS SECTION MAY NOT EXCEED \$500,000.

6 (D) A TAXPAYER CLAIMING THE CREDIT ALLOWED UNDER THIS SECTION
 7 SHALL ATTACH TO THE TAXPAYER'S RETURN, FOR EACH ELIGIBLE APPRENTICE FOR
 8 WHICH THE CREDIT IS CLAIMED, PROOF OF:

9 (1) THE ENROLLMENT OF THE ELIGIBLE APPRENTICE IN A
 10 REGISTERED APPRENTICESHIP PROGRAM; AND

11 (2) THE DURATION OF THE ELIGIBLE APPRENTICE'S EMPLOYMENT BY
 12 THE TAXPAYER.

13 (E) THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION SHALL
 14 ADOPT REGULATIONS TO:

15 (1) IMPLEMENT THE PROVISIONS OF THIS SECTION; AND

16 (2) SPECIFY CRITERIA AND PROCEDURES FOR APPLICATION FOR,
 17 APPROVAL OF, AND MONITORING CONTINUING ELIGIBILITY FOR THE TAX CREDIT
 18 UNDER THIS SECTION.

19 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
 20 as follows:

21 Article – Tax – Property

22 9-110.

23 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
 24 INDICATED.

25 (2) "BUSINESS ENTITY" HAS THE MEANING STATED IN § 6-801 OF THE
 26 ECONOMIC DEVELOPMENT ARTICLE.

27 (3) "ELIGIBLE PROJECT" HAS THE MEANING STATED IN § 6-801 OF
 28 THE ECONOMIC DEVELOPMENT ARTICLE.

29 (4) "NEW BUSINESS ENTITY" HAS THE MEANING STATED IN § 6-801
 30 OF THE ECONOMIC DEVELOPMENT ARTICLE.

1 (5) “QUALIFIED BUSINESS ENTITY” MEANS A NEW BUSINESS ENTITY
2 OPERATING AN ELIGIBLE PROJECT IN A TIER I COUNTY, AS DEFINED UNDER § 6-801
3 OF THE ECONOMIC DEVELOPMENT ARTICLE.

4 (6) “QUALIFIED PROPERTY” MEANS REAL PROPERTY WHERE AN
5 ELIGIBLE PROJECT IS LOCATED.

6 (B) (1) THERE IS A CREDIT AGAINST THE STATE PROPERTY TAX UNDER
7 THIS SECTION IMPOSED ON REAL PROPERTY OWNED BY A QUALIFIED BUSINESS
8 ENTITY ENROLLED IN THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED
9 UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE.

10 (2) THE PROPERTY TAX CREDIT PROVIDED UNDER THIS SECTION IS
11 EQUAL TO 100% OF ALL STATE PROPERTY TAX THAT IS DUE.

12 (3) THE PROPERTY TAX CREDIT PROVIDED UNDER THIS SECTION
13 DOES NOT AFFECT THE AMOUNT OF THE COUNTY OR MUNICIPAL CORPORATION
14 PROPERTY TAX IMPOSED ON THE PROPERTY.

15 (C) BY JUNE 15 EACH YEAR, THE DEPARTMENT SHALL SUBMIT TO THE
16 DEPARTMENT OF COMMERCE A LIST THAT INCLUDES:

17 (1) THE LOCATION OF EACH QUALIFIED PROPERTY;

18 (2) THE AMOUNT OF THE BASE YEAR VALUE FOR EACH QUALIFIED
19 PROPERTY; AND

20 (3) THE AMOUNT OF THE STATE PROPERTY TAX ASSESSED AGAINST
21 EACH QUALIFIED PROPERTY.

22 ~~11-233.~~

23 (A) (1) ~~IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS~~
24 ~~INDICATED.~~

25 (2) ~~“BUSINESS ENTITY” HAS THE MEANING STATED IN § 6-801 OF THE~~
26 ~~ECONOMIC DEVELOPMENT ARTICLE.~~

27 (3) ~~“ELIGIBLE PROJECT” HAS THE MEANING STATED IN § 6-801 OF~~
28 ~~THE ECONOMIC DEVELOPMENT ARTICLE.~~

29 (4) ~~“NEW BUSINESS ENTITY” HAS THE MEANING STATED IN § 6-801~~
30 ~~OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

1 ~~(5) "PROGRAM" MEANS THE MORE JOBS FOR MARYLANDERS~~
 2 ~~PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC~~
 3 ~~DEVELOPMENT ARTICLE.~~

4 ~~(6) "QUALIFIED BUSINESS ENTITY" MEANS A NEW BUSINESS ENTITY~~
 5 ~~OPERATING AN ELIGIBLE PROJECT UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC~~
 6 ~~DEVELOPMENT ARTICLE.~~

7 ~~(7) "QUALIFIED PERSONAL PROPERTY OR SERVICES" MEANS~~
 8 ~~PERSONAL PROPERTY OR SERVICES PURCHASED FOR USE AT AN ELIGIBLE PROJECT~~
 9 ~~BY A QUALIFIED BUSINESS ENTITY THAT IS ENROLLED IN THE PROGRAM.~~

10 ~~(B) THE SALES AND USE TAX DOES NOT APPLY TO A SALE OF QUALIFIED~~
 11 ~~PERSONAL PROPERTY OR SERVICES IF:~~

12 ~~(1) THE QUALIFIED PERSONAL PROPERTY OR SERVICES ARE~~
 13 ~~PURCHASED BY THE QUALIFIED BUSINESS ENTITY SOLELY FOR USE AT AN ELIGIBLE~~
 14 ~~PROJECT WHILE THE PROJECT IS ENROLLED IN THE PROGRAM; AND~~

15 ~~(2) THE QUALIFIED BUSINESS ENTITY PROVIDES THE VENDOR WITH A~~
 16 ~~CERTIFICATE OF EXEMPTION ISSUED BY THE COMPTROLLER IN THE SAME~~
 17 ~~CALENDAR YEAR IN WHICH THE EXEMPTION IS SOUGHT.~~

18 ~~(C) (1) EACH YEAR, THE DEPARTMENT OF COMMERCE SHALL PROVIDE A~~
 19 ~~LIST TO THE COMPTROLLER OF QUALIFIED BUSINESS ENTITIES THAT ARE ELIGIBLE~~
 20 ~~FOR THE EXEMPTION AUTHORIZED UNDER THIS SECTION FOR THAT CALENDAR~~
 21 ~~YEAR.~~

22 ~~(2) EACH YEAR, THE COMPTROLLER SHALL ISSUE SALES AND USE TAX~~
 23 ~~EXEMPTION CERTIFICATES TO ELIGIBLE QUALIFIED BUSINESS ENTITIES,~~
 24 ~~DISPLAYING AN EXPIRATION DATE THAT IS THE LAST DAY OF THE CALENDAR YEAR~~
 25 ~~OF ISSUANCE.~~

26 ~~SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read~~
 27 ~~as follows:~~

28 ~~Article Tax Property~~

29 ~~9-110.~~

30 ~~(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS~~
 31 ~~INDICATED.~~

~~(2) "BUSINESS ENTITY" HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(3) "ELIGIBLE PROJECT" HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(4) "NEW BUSINESS ENTITY" HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(5) "QUALIFIED BUSINESS ENTITY" MEANS A NEW BUSINESS ENTITY OPERATING AN ELIGIBLE PROJECT UNDER THIS SUBTITLE.~~

~~(6) "QUALIFIED PROPERTY" MEANS REAL PROPERTY WHERE AN ELIGIBLE PROJECT IS LOCATED.~~

~~(b) (1) THERE IS A CREDIT AGAINST THE STATE PROPERTY TAX UNDER THIS SECTION IMPOSED ON REAL PROPERTY OWNED BY A QUALIFIED BUSINESS ENTITY ENROLLED IN THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(2) THE PROPERTY TAX CREDIT PROVIDED UNDER THIS SECTION IS EQUAL TO 100% OF ALL STATE PROPERTY TAX THAT IS DUE.~~

~~(3) THE PROPERTY TAX CREDIT PROVIDED UNDER THIS SECTION DOES NOT AFFECT THE AMOUNT OF THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON THE PROPERTY.~~

~~(c) BY JUNE 15 EACH YEAR, THE DEPARTMENT SHALL SUBMIT TO THE DEPARTMENT OF COMMERCE A LIST THAT INCLUDES:~~

~~(1) THE LOCATION OF EACH QUALIFIED PROPERTY;~~

~~(2) THE AMOUNT OF THE BASE YEAR VALUE FOR EACH QUALIFIED PROPERTY; AND~~

~~(3) THE AMOUNT OF THE STATE PROPERTY TAX ASSESSED AGAINST EACH QUALIFIED PROPERTY.~~

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

1 10–210.1.

2 (a) (1) In this section the following words have the meanings indicated.

3 (2) “Depreciation” includes any deduction allowed under § 179 of the
4 Internal Revenue Code.

5 (3) “Heavy duty SUV” means a 4–wheeled vehicle that:

6 (i) is manufactured primarily for use on public streets, roads, and
7 highways;

8 (ii) is rated at more than 6,000 but not more than 14,000 pounds
9 gross vehicle weight; and

10 (iii) would be a passenger automobile as defined in § 280F of the
11 Internal Revenue Code if it were rated at 6,000 pounds gross vehicle weight or less.

12 (4) (I) **“MANUFACTURING ENTITY” MEANS A PERSON**
13 **CONDUCTING OR OPERATING A TRADE OR BUSINESS THAT IS PRIMARILY ENGAGED**
14 **IN ACTIVITIES THAT, IN ACCORDANCE WITH THE NORTH AMERICAN INDUSTRIAL**
15 **CLASSIFICATION SYSTEM (NAICS), UNITED STATES MANUAL, UNITED STATES**
16 **OFFICE OF MANAGEMENT AND BUDGET, 2012 EDITION, WOULD BE INCLUDED IN**
17 **SECTOR 31, 32, OR 33.**

18 (II) **“MANUFACTURING ENTITY” DOES NOT INCLUDE A**
19 **REFINER, AS DEFINED IN § 10–101 OF THE BUSINESS REGULATION ARTICLE.**

20 (b) In addition to the modifications under §§ 10–204 through 10–210 of this
21 subtitle, to determine Maryland adjusted gross income of an individual:

22 (1) (I) **EXCEPT AS PROVIDED IN ITEM (II) OF THIS ITEM,** an amount
23 is added to or subtracted from federal adjusted gross income to reflect the determination of
24 the depreciation deduction provided under § 167(a) of the Internal Revenue Code and the
25 adjusted basis of property without regard to the additional allowance under § 168(k) of the
26 Internal Revenue Code; **AND**

27 (II) **ITEM (I) OF THIS ITEM DOES NOT APPLY TO PROPERTY**
28 **PLACED IN SERVICE BY A MANUFACTURING ENTITY ON OR AFTER JANUARY 1, 2019;**

29 (3) (I) **EXCEPT AS PROVIDED IN ITEM (II) OF THIS ITEM,** an amount
30 is added to or subtracted from federal adjusted gross income to reflect the determination of
31 the maximum aggregate costs that the taxpayer may treat as an expense under § 179 of
32 the Internal Revenue Code for any taxable year without regard to any changes made to
33 that section after December 31, 2002:

1 [(i)] 1. increasing above \$25,000 the dollar limitation set forth in
2 § 179(b)(1) of the Internal Revenue Code; or

3 [(ii)] 2. increasing above \$200,000 the phase-out threshold set
4 forth in § 179(b)(2) of the Internal Revenue Code; AND

5 (II) ITEM (I) OF THIS ITEM DOES NOT APPLY TO PROPERTY THAT
6 IS PLACED IN SERVICE BY A MANUFACTURING ENTITY ON OR AFTER JANUARY 1,
7 2019;

8 SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That the State Department of
9 Education, the Department of Labor, Licensing, and Regulation, and the Maryland
10 Longitudinal Data System Center jointly shall determine ways to expand and analyze
11 available data, including participation in career and technology education courses, relating
12 to individuals who participate in registered apprenticeship training programs. On or before
13 September 1, 2017, the State Department of Education and the Department of Labor,
14 Licensing, and Regulation jointly shall report to the General Assembly, in accordance with
15 § 2-1246 of the State Government Article, regarding the results of the discussions and
16 determinations made under this section.

17 SECTION ~~5~~ 6. AND BE IT FURTHER ENACTED, That the Department of Labor,
18 Licensing, and Regulation shall explore ways to combine the Youth Apprenticeship Pilot
19 Program with the Apprenticeship and Training Program. On or before December 1, 2018,
20 the Department shall report to the General Assembly, in accordance with § 2-1246 of the
21 State Government Article, regarding its findings and recommendations in this regard.

22 SECTION ~~6~~ 7. AND BE IT FURTHER ENACTED, That:

23 (a) The General Assembly finds that the widespread adoption of tax subsidies
24 intended to move jobs from one state to another reduces revenues in all participating states
25 without increasing the total number and quality of jobs. Therefore, the Governor should
26 work with the chief executive officers of Delaware, the District of Columbia, North Carolina,
27 Pennsylvania, Virginia, and West Virginia to negotiate an agreement among all of these
28 states by July 1, 2018, for the repeal of any law in each state that provides a tax subsidy,
29 including any tax credit, deduction, exemption, or other modification, that is intended to
30 create new jobs or entice new jobs to the state. The agreement shall specify the laws of each
31 state that allow for such a tax subsidy and shall provide that each state will adopt
32 legislation to repeal those laws, contingent on the enactment of the corresponding
33 legislation by each of the other states. In connection with the agreement, the executives
34 shall propose approaches for ensuring continuing compliance with the terms of the
35 agreement. On or before September 15, 2018, the Governor shall report to the Senate
36 Budget and Taxation Committee and the House Committee on Ways and Means, in
37 accordance with § 2-1246 of the State Government Article, on the status of reaching an
38 agreement.

1 **(b)** If the agreement under subsection (a) of this section is not reached by
 2 September 15, 2018, the Governor shall include in the report alternatives to encourage
 3 agreement among the respective states, including but not limited to, increasing the amount
 4 of the job creation tax credit.

5 SECTION ~~4~~ ~~7~~ 8. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall
 6 be applicable to all taxable years beginning after December 31, ~~2016~~ 2017.

7 SECTION ~~5~~ ~~8~~ 9. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall
 8 take effect July 1, 2017, and shall be applicable to all taxable years beginning after June
 9 ~~30, 2017~~ December 31, 2016, but before January 1, 2020. It shall remain effective for a
 10 period of 3 years and, at the end of June 30, 2020, with no further action required by the
 11 General Assembly, Section 2 of this Act shall be abrogated and of no further force and effect.

12 *SECTION 10. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall be*
 13 *applicable to all taxable years beginning after June 30, 2017.*

14 SECTION ~~6~~ ~~9~~ 11. AND BE IT FURTHER ENACTED, That Section ~~3~~ 4 of this Act
 15 shall be applicable to all taxable years beginning after December 31, 2018.

16 SECTION ~~7~~ ~~10~~ 12. AND BE IT FURTHER ENACTED, That, except as provided in
 17 Section ~~8~~ 9 of this Act, this Act shall take effect June 1, 2017.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.