



Jennifer Painter  
Senior Vice President and  
Chief Legal Officer  
NYSE: ASGN  
asgn.com

jennifer.painter@asgn.com  
d 818.871.3325  
c 310.200.4424  
26745 Malibu Hills Rd.  
Calabasas, CA 91301 USA

March 11, 2025

Delegate Vanessa E. Atterbeary  
131 Taylor House Office Building  
6 Bladen Street  
Annapolis, MD 21404  
[Vanessa.Atterbeary@house.state.md.us](mailto:Vanessa.Atterbeary@house.state.md.us)

Re: Opposition to HB 1554 and SB 1045

Dear Delegate Atterbeary,

My name is Jennifer Hanks Painter, and I am the Senior Vice President and Chief Legal Officer of ASGN Incorporated, one of the largest staffing firms in California.

I am writing to ask you to **OPPOSE HB 1554 and SB 1045**, bills which would severely hurt Maryland's workers.

Staffing firms such as ASGN (and its many subsidiaries) play a critical role in this state's economy by providing workers with temporary and permanent jobs, training, choice of assignments and work, flexibility, and a bridge to permanent employment. Staffing firms also help businesses in virtually every sector grow and remain competitive by affording them the flexibility to access talent when they need it.

ASGN has been in business since 1985. We have more than 100 offices across the United States, Canada, Europe, Mexico, and India, with substantial operations in Maryland. Our company employs approximately 3,200 individuals internally and, in 2024, placed 21,300 highly skilled professionals on a full-time equivalent basis in various positions in the technology, life sciences, digital, and creative sectors.

**A Sales Tax on Staffing Services is a Tax on Jobs and Will Harm Maryland's Workers and the State's Economy:** Staffing firms employ more than 2.5 million temporary and contract workers in the U.S. every week—nearly 13 million annually—in virtually every job category. In 2023, staffing firms employed nearly 215,000 people in Maryland. Especially in the IT industry, it will be more economical for us to place employees remotely from other states and avoid using Maryland employees.

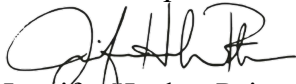
**In a comprehensive study commissioned by the American Staffing Association, sales taxes were found to have a significant negative impact on temporary employment:** The study found that taxing staffing effectively raises the cost of labor, which will reduce the demand for temporary services. That, in turn, will reduce total employment and economic activity within the taxing jurisdiction. The job losses that result from taxing staffing services not only reduce expected tax revenue, but also likely reduce income tax and other tax collections throughout the state. Further, the state can expect a likely increase in unemployment insurance payments and other social welfare costs.

- **A Sales Tax on Staffing Services Hurts Small Businesses in the State:** Taxes on staffing services place small, locally owned businesses at a competitive disadvantage. Small businesses often rely on outside firms to provide them with accounting, bookkeeping, secretarial, and other services, many of which are provided by staffing firms. It raises the cost of doing business for small companies, since, unlike larger firms, they generally do not have the ability to avoid the tax by hiring in-house staff.
- **A Sales Tax on Staffing Services Results in “Tax Pyramiding”:** When customers of staffing firms absorb sales taxes, this creates an unfair pyramiding of taxes where the final product or service is also likely subject to sales taxation. Such “pyramiding” is harmful to consumers, who effectively are taxed at least twice on the same product.
- **Imposing a Sales Tax on Staffing Services Places the State at a Competitive Disadvantage with Neighboring States:** Because sales taxes exert a significant dampening effect on jobs and overall economic activity, a state that taxes business services will likely find itself at a competitive disadvantage with neighboring states that do not.

Because these Bills would **destroy thousands of jobs**—harming temporary and contract workers, candidates for permanent employment, staffing firms, businesses, and the Maryland economy as a whole—I **urge you to reject this legislation**.

Best Regards,

ASGN Incorporated



Jennifer Hanks Painter,  
SVP, Chief Legal Officer