



MARYLAND STATE & D.C. AFL-CIO

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**HB 525 – Phase Out Company Giveaways Act
House Ways and Means Committee
February 12, 2020**

SUPPORT

**Donna S. Edwards
President
Maryland State and DC AFL-CIO**

Madam Chair and members of the Committee, thank you for the opportunity to provide testimony in support of HB 525 – Phase Out Company Giveaways Act. My name is Donna S. Edwards, and I am the President of the Maryland State and DC AFL-CIO. On behalf of the 340,000 union members in the state of Maryland, I offer the following comments.

The recent debacle regarding Amazon’s choice of where to locate HQ2, and the ensuing interstate fight – including the eye-popping offer of \$4 BILLION in incentives from Maryland – should give everyone pause on incentives we dangle in front of corporations, begging them to locate within our State. In the case of Amazon, they created a State version of “Hunger Games”, forcing us to compete against one another with how many tax dollars we could throw at them in exchange for promises of economic development.

HB 525 creates a voluntary interstate compact that would only go into effect if at least one other State or the District of Columbia became a signatory with Maryland. Once entered into, member States would be prohibited from offering or providing any company from the signatory states giveaways to relocate large multi-national corporations to within their borders. If any State is unhappy with the compact, they can withdraw with six months’ notice.

Enormous corporations with immense power do not need to be showered in tax money, paid by workers in our State. Maryland can attract and retain companies based on our highly-skilled workforce, world-class education, infrastructure, and our commitment to higher living standards for the workers of those companies. If we can band together with other like-minded States, we can end the predatory practice of allowing these hegemonic corporations to play us off each other.

We urge a favorable report on HB 525.