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TTY USERS CALL VIA MD RELAY

House Bill 418 – Economic Development – More Jobs for Marylanders Program – Extensions and Alterations

Position: Favorable

March 2, 2022

Keiffer J. Mitchell, Jr., Chief Legislative Officer
Jake Whitaker, Deputy Legislative Officer

Dear Chair Atterbeary, Vice Chair Washington, and Members of the Committee,

Since taking office, Governor Hogan has remained committed to increasing economic growth and expanding job opportunities for all Marylanders. The More Jobs for Marylanders (MJM) Program is part of the Governor's commitment to invest in the creation of new, high-paying manufacturing jobs across the State, including specific incentives to serve vulnerable and underserved communities. Maryland is no longer losing manufacturing jobs, but instead has one of the fastest growing manufacturing sectors in the nation.

The More Jobs for Marylanders (MJM) program promotes the creation of new manufacturing jobs in Maryland by providing tax incentives to manufacturers that establish a new manufacturing facility in the state or existing Maryland manufacturers that expand their employment, if the location or expansion is in an area of the state with high unemployment and low per capita income. House Bill 418 extends the program by changing the date by which a business must enroll in MJM in order to participate in the program from June 1, 2022 to June 1, 2027. This bill also changes the amount of funding that must be transferred from the MJM Income Tax Reserve Fund to the General Fund when a final certificate is issued by requiring that the Maryland Department of Commerce transfer the amount approved in the final certificate as opposed to the amount approved in the initial certificate.

In the two years the MJM program has been in operation, the program is already paying dividends. This program has created over **3,000** manufacturing jobs averaging an annual salary of over **\$65,000** and has provided over **\$14 million** in tax savings for Maryland businesses. The jobs created and tax relief provided under the MJM program has spurred an additional **\$400 million** in indirect economic activity in Maryland.

MJM has created new opportunities for Marylanders and provided relief to businesses prior to and during the pandemic when they have needed it the most. This program has proved critical to the sharp growth in Maryland's manufacturing sector and will continue to create high paying jobs for Marylanders for years to come.

For the aforementioned reasons, we request a favorable report on House Bill 418.



