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## **RE: Strong Opposition to House Bill 919**

To Whom It May Concern:

I am writing to express my **strong opposition** to **House Bill 919**, which proposes the premature termination, repeal, and restriction of key tax credits that have been instrumental in Maryland's economic development, job creation, and technological innovation. As the Founder and Managing Partner of **Ecphora Capital**, Maryland's leading medtech venture capital firm, I have seen firsthand how these incentives drive investment, spur job growth, and support critical industries that are shaping the future of our economy.

### **HB 919 Undermines Maryland's Economic Growth and Innovation**

This bill will have **devastating consequences** for Maryland's startup ecosystem, particularly in the **biotechnology, cybersecurity, and advanced research sectors**. The **biotechnology investment incentive tax credit, research and development tax credit, and the cybersecurity technology and service tax credit** are not mere financial perks; they are **essential tools** that attract early-stage capital and encourage innovation in industries where Maryland has long been a national leader.

Maryland competes with states like **Massachusetts, California, and North Carolina**, which offer **robust, stable, and competitive incentives** for emerging industries. **By unilaterally eliminating these tax credits ahead of schedule, HB 919 will drive high-growth companies and investors out of Maryland, taking high-paying jobs and economic activity with them.**

### **HB 919 Hurts Job Creation and Small Businesses**

The **Job Creation Tax Credit and Opportunity Zone Enhancement Program** have proven to be **critical drivers of employment**, especially in historically underinvested areas. Cutting these incentives **stifles job growth at a time when businesses are still recovering from economic disruptions** and working to build a strong workforce.

- Maryland is home to **thousands of small businesses and startups** that rely on these credits to hire skilled workers, expand operations, and develop cutting-edge technologies.
- Many of these businesses are already facing **rising operational costs, inflationary pressures, and increasing regulatory burdens**—HB 919 will further **erode their ability to grow and compete**.

### **HB 919 Discourages Investment and Undermines Public-Private Partnerships**

Maryland's **One Maryland Economic Development Tax Credit Program** has been a cornerstone for **attracting investment to distressed regions**. Ending this program **will deter investors from backing economic revitalization projects, particularly in areas that need it most**.

- Eliminating tax incentives for **target redevelopment areas** (such as those tied to the **former Bethlehem Steel site**) is particularly short-sighted, as these incentives were specifically designed to **attract private capital to long-overlooked communities**.
- Reducing the **motor fuel tax discount** further **raises costs for Maryland businesses** that already operate on tight margins, particularly in **logistics, construction, and transportation**.

### **HB 919 Sends the Wrong Message About Maryland's Business Climate**

The abrupt changes proposed in this bill **create uncertainty for businesses and investors** who have made long-term commitments based on existing state policies. **Repealing and reducing these tax credits signals to investors and entrepreneurs that Maryland is an unpredictable and unfavorable place to do business**.

**If passed, HB 919 will:**

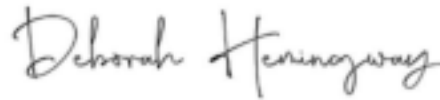
- **Drive investment away from Maryland** to states with more stable and competitive tax incentives.
- **Jeopardize job creation** by reducing incentives for businesses to expand.
- **Harm Maryland's reputation** as a national leader in biotech, cybersecurity, and research-driven industries.

### **Conclusion: HB 919 is a Step Backward for Maryland**

Maryland has spent years cultivating a thriving ecosystem for innovation, investment, and job growth. **HB 919 undermines this progress** and risks setting the state back at a time when we should be doubling down on policies that encourage economic development.

I urge you to **oppose HB 919** and protect Maryland's position as a leader in **technology, life sciences, and economic growth**. I welcome the opportunity to discuss this issue further and to work together on policies that truly support Maryland's business community and workforce.

Sincerely,

A handwritten signature in cursive script that reads "Deborah Hemingway". The ink is dark and the signature is fluid, with the first and last names being more prominent than the middle name.

Deborah Hemingway, PhD  
Managing Partner  
Ecphora Capital