



House Bill 1128

Position: Favorable

Committee: Ways and Means

Date: March 5, 2026

Founded in 1968, the Maryland Chamber of Commerce (“Maryland Chamber”) is a statewide coalition of more than 7,000 members working to develop and promote strong public policy that ensures sustained economic growth and opportunity for all Marylanders.

Maryland has long been home to world-class research institutions, federal laboratories, and a highly educated workforce. However, too often our early-stage companies—particularly those working in artificial intelligence, quantum computing, cybersecurity, and other advanced technology sectors—struggle to access the growth capital necessary to scale within our state. **House Bill 1128 directly addresses this gap by incentivizing private investment in innovative Maryland companies at a critical stage of development.**

By providing a 25% income tax credit for qualified investments, capped at \$1 million per investment, the bill leverages private capital to accelerate company growth, job creation, and long-term economic development. The creation of a dedicated Angel Investor Tax Credit Reserve Fund will provide predictability and stability, ensuring that Maryland remains competitive with neighboring states.

Importantly, HB 1128 includes clear eligibility criteria, oversight mechanisms, and recapture provisions to safeguard taxpayer resources while promoting responsible investment. The program’s sunset provision further ensures that policymakers will have the opportunity to review its effectiveness and fiscal impact.

Supporting early-stage companies in emergent technology sectors is not only an economic development strategy – it is a workforce development strategy and a competitiveness strategy. By strengthening Maryland’s innovation ecosystem, we can retain Maryland-grown startups, attract new companies, and create high-quality jobs across the state. **For these reasons, the Maryland Chamber respectfully requests a favorable report on HB 1128.**