

Written Testimony in Support of HB 1256 – Angel Investor Tax Credit

To: Members of the House Ways and Means

From: Liz League, CEO, Greater Severna Park and Arnold Chamber of Commerce

Date: March 3, 2026

On behalf of over 600 business members of the Greater Severna Park and Arnold Chamber of commerce, thank you for the opportunity to submit testimony in STRONG SUPPORT of HB 1256.

Recently, I heard Governor Moore discuss his goal of Maryland becoming a leader in innovation, research, and entrepreneurship. Yet too many early-stage companies—particularly those outside our largest economic hubs—struggle to access the capital they need to scale. This bill addresses that gap directly by incentivizing private investment in qualified Maryland companies while ensuring accountability and timely deployment of funds.

A 33% credit strikes the right balance. It is meaningful enough to attract investors who might otherwise deploy capital in competing states but structured responsibly with a \$250,000 cap to protect State revenues. The inclusion of higher limits in certain counties recognizes the unique economic challenges facing rural and economically distressed areas. By encouraging capital formation in those communities, this legislation promotes regional equity and helps build a more inclusive innovative economy.

The requirement that the Maryland Department of Commerce maintain an online portal is particularly important. A centralized, transparent platform will:

- Provide clear eligibility criteria for investors and companies;
- Streamline application and review processes;
- Track available credit allocations; and
- Ensure efficient communication and compliance.

This administrative clarity reduces uncertainty for investors and prevents delays that can jeopardize early-stage financing rounds.

Equally important is the provision requiring a qualified investor to complete the investment within 30 calendar days after the Department issues an initial tax credit certificate. This ensures that the credit drives real, timely capital deployment—not speculative reservations. It protects the integrity of the program and ensures that companies receive funding when they need it most.

The economic impact of this legislation extends beyond individual investments. Early-stage capital supports job creation, technology commercialization, and long-term tax base growth. High-growth startups generate multiplier effects across supply chains, professional services, and local communities. By strengthening Maryland’s competitive position relative to neighboring states with similar incentive programs, this bill helps keep both companies and investors here at home.

This proposal is fiscally responsible, economically strategic, and administratively sound. It leverages private capital to accelerate innovation while maintaining clear guardrails and oversight.

For these reasons, we support this legislation.

Thank you for your consideration.

Respectfully submitted,

Liz League

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