



Larry Hogan | Governor
Boyd Rutherford | Lt. Governor
Kelly M. Schulz | Secretary of Commerce
Benjamin H. Wu | Deputy Secretary of Commerce

January 18, 2019

The Honorable Thomas V. Mike Miller, Jr.
President, Maryland Senate
State House, H-107
Annapolis, Maryland 21401-1991

The Honorable Michael E. Busch
Speaker, Maryland House of Delegates
State House, H-101
Annapolis, Maryland 21401-1991

RE: Maryland Jobs Development Act

Dear President Miller and Speaker Busch:

In accordance with the Maryland Jobs Development Act, Economic Development Article §2.5-109 the Department of Commerce is pleased to submit the attached comprehensive report of the Department's Finance and Tax Incentive programs.

We look forward to your review of this report and will be happy to furnish any additional information that is needed. If we can be of further assistance, or if you have any questions regarding this report, please contact me at 410.767.6301.

Sincerely,

Kelly M. Schulz
Secretary



FISCAL YEAR 2018

Consolidated Incentives Performance Report

**As required by the Maryland Jobs Development Act
Economic Development Article § 2.5-109**

Pursuant to:

**Economic Development § 3-404(e)
Economic Development § 5-315
Economic Development § 5-419
Economic Development § 5-512(c)(4)
Economic Development § 5-555(h)
Economic Development § 6-307
State Finance and Procurement § 7-314
Tax General § 10-721(g)(1)
Tax General § 10-725(h)(1)
Tax General § 10-730(e)
Tax General § 10-732(f)
Tax General § 10-733**

Respectfully submitted to the General Assembly of Maryland by

**Kelly M. Schulz, Secretary
Maryland Department of Commerce
401 East Pratt Street
Baltimore, MD 21202
January 2019**



Larry Hogan, Governor | Boyd Rutherford, Lt. Governor

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Contents

Background	1
Data by Program and by Recipient	1
Evaluating Program Effectiveness	3
Limitations of the Evaluation	3
Program Evaluation	4
Program Impacts	7
Detailed Impact by Program and Purpose	7
1. Job Creation and Retention	9
Economic Development Opportunities Program Fund (Sunny Day)	9
One Maryland Tax Credit (OneMD)	9
Job Creation Tax Credit (JCTC)	10
Partnership for Workforce Quality (PWQ)	11
Hire Our Veterans Tax Credit (HOVTC)	11
Aerospace, Electronics, or Defense Contract Tax Credit (AEDTC)	12
MEDAAF Capability 1 - Significant Strategic Economic Development Opportunities	13
MEDAAF Capability 2 - Local Economic Development Opportunities	13
2. Local Government Support for Economic Development	13
MEDAAF Capability 3 - Direct Assistance to Local Jurisdictions or MEDCO	14
MEDAAF Capability 4 - Regional or Local Revolving Loan Funds	14
3. Leveraging Private Investment	15
Maryland Industrial Financing Authority (MIDFA)	15
4. Assistance to Small and Minority Businesses	15
Maryland Economic Adjustment Fund	16
Military Personnel and Veteran-Owned Small Business No-Interest Loan Program	16
Maryland Small Business Development Financing Authority (MSBDFA)	16
Small, Minority, and Women-Owned Businesses Account - Video Lottery Terminal Fund	17
5. Promoting Technology Startups and Innovation	18
Biotechnology Investment Incentive Tax Credit (BIITC)	19
Cybersecurity Investment Incentive Tax Credit (CIITC)	19

Research and Development (R&D) Tax Credit	20
Maryland E-Novation Initiative	21
6. Economic Diversification Through Targeted Industry Support.....	21
Employer Security Clearance Costs Tax Credit.....	22
Maryland Film Production Activity Tax Credit.....	23
Wineries and Vineyards Tax Credit.....	23
7. Special Purpose.....	24
MEDAAF Capability 5 - Special Purpose Grants and Loans	24
ExportMD	24
Maryland Nonprofit Development Center Program and Fund (NIMBL)	24
State Return on Investment for Commerce Incentives.....	26
Program Compliance.....	28

List of Tables

Table 1: Program Activity by Type	2
Table 2: Performance Outputs by Program	5
Table 3: Program Performance by Industry	6
Table 4: Summary of Impacts.....	8
Table 5: Return on Investment by program	27

List of Appendices

Appendix A: FY 2018 Commerce Finance Tracker Incentives Report
Appendix B: Biotechnology Investment Incentive Tax Credit QMBCs
Appendix C: Research and Development Tax Credits Certified
Appendix D: Employer Security Clearance Costs Tax Credit recipients
Appendix E: Wineries & Vineyards Tax Credit recipients
Appendix F: Recipients of Multiple Incentives
Appendix G: Compliance Triggers and Remedial Action

Background

The Maryland Department of Commerce (Department) is pleased to submit the FY 2018 Consolidated Incentives Report as required by the Maryland Jobs Development Act pursuant to Economic Development Article §2.5-109.

The Maryland Jobs Development Act requires the Department to report data on certain finance programs and tax incentive programs administered by the Department by December 31st of each year. Specifically, the report covers the following finance programs: Maryland Economic Development Assistance Authority Fund (MEDAAF), Maryland Industrial Financing Authority (MIDFA), Military Personnel and Veteran-owned Small Business No-Interest Loan Program (Military/Veteran), Maryland Small Business Development Financing Authority (MSBDFA), Partnership for Workforce Quality (PWQ), Economic Development Opportunities Program Fund (Sunny Day), and Small, Minority, and Women-Owned Businesses Account - Video Lottery Terminal Fund (VLT). The report also covers the following tax incentive programs: One Maryland Tax Credit (OneMD), Job Creation Tax Credit (JCTC), Research and Development (R&D), Maryland Film Production Activity (Film), and the Biotechnology Investment Incentive (BIITC). Other programs not covered by the Jobs Development Act but included in this report are Cybersecurity Investor Incentive Tax Credit (CIITC), Employer Security Clearance Costs Tax Credit, Wineries and Vineyards Tax Credit, E-Novation Initiative Program and ExportMD. Programs added this year are the Aerospace, Electronics and Defense tax credit; Nonprofit, Interest-Free, Micro Bridge Loan Account (NIMBL); and Hire Our Veterans Tax Credit. The Enterprise Zone Tax Credit Program and the Small Business Relief Tax Credit Program submit separate reports on activities.¹

The report shall include data on the number of jobs created, the number of jobs retained; the estimated amount of State revenue generated; and any additional information required by the Department through regulations both in the aggregate and disaggregate by each program and each recipient. Additionally, the Department must implement a process to assist recipients of such program(s) to ensure compliance with program requirements. The report is produced by the Department's Office of Research based on the Department's Finance Tracker data and program reports for **settled** projects receiving incentives in FY 2018.

Data by Program and by Recipient

The detailed information has been compiled in the Department's Finance Tracker. Finance Tracker is the Department's on-line database for maintaining records of grants, tax credits, equity investments and loan enhancements. Finance Tracker includes information on incentives provided to companies for FY 2009-2018. Users can search and sort data by company, industry, location and program. Please visit <http://commerce.maryland.gov/fund/maryland-finance-tracker> to view this information and the summary in Appendix A.

Table 1 below summarizes FY 2018 activity by the number of clients and incentive amount. The FY 2018 activity covers 678 recipients totaling \$53.4 million in grants, loans and loan guarantees

¹ The Enterprise Zone program is a joint effort between the State and local governments and Commerce does not certify businesses for the credits.

and \$68.9 million in tax incentives. The largest number of transactions was the Research and Development Tax Credit, with 266 recipients of \$12 million in tax credits. There were 92 recipients of Export Maryland grants totaling \$469,500. There were 78 recipients of Video Lottery Terminal Fund financing totaling \$9.6 million. The Department's major finance program, the Maryland Economic Development Assistance Authority Fund (MEDAAF) had 18 transactions totaling \$13.4 million. Fifteen companies received Job Creation Tax Credits (JCTC) and six received One Maryland Tax Credits (OneMD). There were 27 companies receiving investment from 157 investors through the Biotechnology Investment Incentive Tax Credit (BIITC). Film Production Activity Tax Credits of \$7.0 million supported one major television production in Maryland.

Program	Count of Recipient	Loan/Grant Amount	Loan Guarantee Amount ¹	Tax Credit Amount ²
Loans/Grants/Investment				
E-Nnovation Initiative Program	4	7,020,000	-	-
Export MD Grant	92	469,500	-	-
Maryland Economic Development Assistance Authority Fund	18	13,350,000	-	-
Maryland Industrial Financing Act	2	10,770,000	1,350,300	-
Military Personnel and Service-Disabled Veterans No-Interest Loan Program	7	350,000	-	-
Maryland Small Business Development Financing Authority	21	6,032,050	203,600	-
NIMBL	3	64,760		
Partnership for Workforce Quality	30	748,392		
Sunny Day	1	5,000,000	-	-
Video Lottery Terminal Fund	78	9,632,225	-	-
Tax Credits				
Aerospace, Electronics & Defense	1			7,500,000
Biotechnology Investment Incentive	27	-	-	12,379,430
Cybersecurity Investment Incentive	1	-	-	214,500
Employer Security Clearances Costs	63	-	-	2,000,000
Film Production Activity Tax Credit	1	-	-	7,047,304
Hire Our Veterans tax Credit	4			7,200
Job Creation Tax Credit	15	-	-	4,344,464
One Maryland Tax Credit	6	-	-	22,947,031
R&D Tax Credit	266	-	-	12,000,000
Wineries and Vineyards	38	-	-	449,797
Totals	678	53,436,927	1,553,900	68,889,726

Source: Department of Commerce

¹ Includes credit enhancements and guaranties

² Tax credits are certified amount. OneMD and JCTC tax credits are estimated based on project costs and job creation. Actual tax credits amounts are confidential Comptroller office information.

Table 1: Program Activity by Type

Thirty-eight companies received multiple incentives from multiple programs. The list is presented in Appendix F. In eleven cases, the jobs reported apply to more than one program. In cases where job impacts are reported for multiple programs the estimated job impacts are allocated to only one program to avoid double counting impacts. This resulted in reducing the total number of reported jobs by 768 jobs.

Evaluating Program Effectiveness

Program evaluation is one of the most vital steps in the economic development process. But it is also one of the most difficult because of the need for better indicators to measure outcomes. Job creation is the primary, but not the only, intent of economic development programs. While jobs, wages and investment are the main metrics for most incentive programs, they are not necessarily the most appropriate. Community development, workforce and innovation/entrepreneurship programs require different measures to determine effectiveness. The Center for Regional Economic Competitiveness recommends performance indicators that address jobs quality and business dynamics, such as wage levels and benefits, and indicators related to innovation, productivity or global business activity.²

Limitations of the Evaluation

- *Indicators not aligned with program goals.* Jobs and investment may not be appropriate indicators for all types of incentive programs given their various objectives and the business needs they are intended to address. Ideally, economic development programs should be evaluated according to their stated intent and expected outcomes. In the absence of clearly stated goals, evaluations default to the least common denominator metrics of jobs and investment even if these indicators are not particularly relevant.
- *Time-frame for evaluation.* Most economic development programs are designed to have long-term impacts, requiring that companies maintain employment to receive incentives. A one-year snapshot of activity does not take into account those ongoing impacts and the revenues generated.
- *Comparability of programs.* Using jobs as a common metric invites comparison among programs that may not be valid. A program that creates fewer jobs may not be less effective if the intent of the program is to encourage start-up activity in an emerging industry sector or in a distressed area.
- *Data quality.* Collecting data from incentive recipients requires a difficult balance between requiring more company-provided data and reducing the administrative burden for companies. Company-reported data also requires security measures that are adequate to protect confidential data and adequate staff resources to collect and process the data.
- *Estimating revenues.* Fiscal impact analysis tools are estimates of possible revenues based on employment and wages. Estimating revenue impacts of capital expenditures requires a case by case analysis. Further, it is not possible to include possible revenues from corporate taxes as those vary considerably based on individual circumstance.

² Redefining Economic Development Performance Indicators for a Field in Transition, Center for Regional Economic Competitiveness, July 2017

- *Intangible impacts.* Other benefits such as promoting an industry or a region are difficult to quantify.

A more rigorous evaluation would attempt to evaluate the incentives according to their stated legislative intent. Using jobs, wages and investment provides a common metric for comparison of programs.

Program Evaluation

This section provides an analysis of the available performance information and explanation of the evaluation results. The information is provided by the program administrators from performance agreements and applications submitted at the time of the transaction. The Commerce evaluation uses jobs, wages and investment as the main metrics to estimate the tax revenues returned to the State from its incentive investments. In some cases, where job creation is not a requirement of the program, the amount of project spending in Maryland is used to estimate the number of full-time equivalent jobs supported by the project.

Table 2 summarizes the information by program for the number of clients, incentive amount, and direct jobs created and/or retained and total expenditures associated with the project. Financing programs represent projects with a total of 256 clients and \$53.4 million in settled approved transactions. Tax credits represent 421 clients, with 266 of those in R&D tax credits.

Table 3 summarizes program activity by the industry supported. The mix of industries changes every year based on demand but in general, the majority of assistance goes to the professional and technical services sector and to manufacturing. In FY 2018, manufacturing received the largest dollar amount with 32 percent of total assistance. The education sector received 12 percent of assistance and construction 11 percent. Professional, scientific, and technical services companies received nine percent of total assistance. These include many technology companies such as those in biotech research, information technology and cybersecurity, as well as professional services and engineering. In relation to the industry's share of the State Gross Domestic Product (GDP) and employment, manufacturing received the largest proportion of assistance, followed by information, wholesale trade, and professional services.

Table 2: Performance Outputs by Program

Program	Recipients	Loan/Grant Amount	Loan Guarantee Amount	Reported New/Retained Jobs	Project Expenditures
E-Innovation Initiative	4	7,020,000			7,020,000
Export MD	92	469,500			
MEDAAF	18	13,350,000		5,331	247,100,000
MEDAAF-2	15	11,150,000		5,331	244,700,000
MEDAAF-3	1	2,000,000			2,000,000
MEDAAF-4	2	200,000			400,000
MIDFA	2	10,770,000	1,350,300	292	11,400,000
Military/Veteran	7	350,000		15	514,000
MSBDFA	21	6,032,050	203,600	179	8,046,200
Non-profits	3	64,760		0	64,760
PWQ	30	748,392		1,188	1,390,380
Sunny Day	1	5,000,000		3,250	500,000,000
VLT	78	9,632,225		919	18,680,811
Loan/Grant Total	256	\$53,436,927	\$1,553,900	11,557	794,216,151
Tax Credits	Recipients	Certified Tax Credit Amount	Certified Jobs	Project Expenditures	
AEDTC	1	7,500,000	10,000	75,011,273	
BIITC	27	12,379,430			
Cybersecurity	1	214,500	5		
Employer Security Costs	63	2,000,000	13,699	13,744,613	
Film	1	7,047,304		76,054,938	
HOVTC	4	7,200	4		
JCTC	15	4,344,464	2,239		
OneMD Tax Credit	6	22,947,031	238	22,947,031	
Research & Development	266	12,000,000			
Wineries & Vineyards	38	449,797	238	1,799,187	
Tax Credit Total	422	\$68,889,726	26,423	189,557,042	
Grand Total	678	\$53,436,927	\$1,553,900	37,980	\$983,773,193

¹MIDFA Amount is the amount of bonds issuances or private sector loans; MIDFA does not provide direct funding²Amount of OneMD and JCTC tax credits are an estimation based on the allowable project costs, jobs and wages. Actual tax credits amounts are calculated on the recipients' tax returns and are therefore confidential Comptroller office information.

Table 3: Program Performance by Industry

Industry	Recipients	Approved Loan Amount	Loan Guarantee Amount	Tax Credit Amount	Total Jobs	Project Expenditures
Accommodation and Food Services	17	9,227,000		407,273	3,514	508,765,450
Administrative and Support	19	1,370,000		97,475	197	1,139,653
Agriculture	40	679,797		449,797	328	25,799,187
Arts, Entertainment, and Recreation	6	1,125,000			33	2,346,050
Construction	40	2,790,000		10,245,042	398	13,224,112
Education	14	14,056,000		88,885	219	14,520,000
Finance and Insurance	2			367,436	149	
Health Care	13	1,070,000		147,500	188	397,000
Information	36	700,503		9,355,619	1,071	85,448,839
Management of Companies and Enterprises	4	5,000		97,088	0	
Manufacturing	183	12,353,861	1,523,660	29,499,769	22,039	138,976,353
Other Services	10	2,354,760		3,437	80	2,539,760
Professional, Scientific and Technical Services	229	2,717,860		8,209,345	5,344	20,961,240
Real Estate and Rental and Leasing	2	5,000	30,240	17,755	0	
Retail Trade	14	731,000			47	330,636
Transportation and Warehousing	13	2,675,000		8,122,500	3,454	76,162,000
Wholesale Trade	36	2,025,943		1,780,806	919	93,162,913

Program Impacts

The following analysis uses direct jobs where available to evaluate the total impact of programs. Direct jobs include newly created jobs and jobs retained by the project. In some cases, where job numbers are not a requirement of the program, the amount of project spending in Maryland is used to estimate the number of full-time equivalent jobs supported by the project. These estimates are based on spending patterns from the IMPLAN economic model for the State³. The total jobs number includes the secondary, or multiplier effects of the jobs (direct, indirect and induced). The estimates of secondary jobs and wages also are based on the IMPLAN economic model for the State.

Based on the total jobs and wages, the annual State tax revenue from those jobs is estimated. For this report, impacts are estimated for a one-year period, providing a snapshot of FY 2018 activity. However, this approach does not take into account the ongoing impacts generated by the incentives. In most cases, the jobs and investment supported by the incentives are required to remain in Maryland over a period of years. Those long-term impacts are not included in this report but should be considered when evaluating each program individually.

State revenue impacts are estimated based on average State income and sales tax payments by income class for the total jobs generated by the project.⁴ Although other revenues may be generated such as State and local property taxes from property improvements, corporate income taxes and other taxes and fees, these are not included in the revenue estimates. Such impacts may be evaluated by the Department in the case of individual projects, but not in aggregate for the purposes of this report.

Detailed Impact by Program and Purpose

The following section summarizes the job and revenue impacts of each program based on the available information and according to the intent of the program. Job creation is the primary, but not the only, intent of economic development programs. For example, the BIITC was enacted to grow Maryland's biotechnology industry by encouraging investment in early-stage Maryland biotechnology companies. The film production tax credit is intended to promote the film industry in Maryland and the Research and Development tax credit supports R&D spending in Maryland. Combined, the portfolio of economic development incentives should be measured for overall effectiveness in growing the strategic industries and diversifying the economy to be sustainable for the long term.

The evaluation is organized according to these general economic development objectives:

- Job creation and retention
- Support for Local economic development
- Leveraging private sector investment in economic development
- Assistance to small, disadvantaged and minority businesses and/or underserved areas
- Promoting startups and innovation through technology commercialization and investment
- Economic diversification through targeted growth industry promotion

³ IMPLAN Group LLC, IMPLAN Online System (2015 data), Huntersville, NC 28078, www.implan.com

⁴ Office of the Comptroller, Income Tax Summary Report, Tax Year 2017

http://finances.marylandtaxes.gov/static_files/revenue/incometaxsummary/summary17.pdf

Table 4 summarizes the impact results by program and their primary purpose using the above categories. Overall, the combined programs generate \$10.9 billion in economic output, support approximately 55,000 jobs and total wages of \$2.9 billion at an average annual wage of \$53,400, generating annual State tax revenues of \$170.4 million.

Table 4: Summary of Impacts

	Economic Output	Total Jobs (Direct and Secondary)	Average Annual salary	Annual State Tax Revenues
1. Job creation and retention	\$9,060,063,880	45,895	\$54,957	\$146,611,004
MEDAAF 2 - Economic Development Opportunities	2,380,922,281	11,260	47,249	31,787,548
PWQ	452,531,091	2,042	47,765	5,804,992
Sunny Day	655,155,905	4,947	32,481	9,528,384
Job Creation Tax Credit	585,448,615	3,937	49,013	11,424,874
One Maryland Tax Credit	123,129,717	479	44,310	1,277,551
HOVTC	1,329,070	8	35,100	15,821
AEDTC	4,861,547,201	23,222	65,349	86,771,833
2. Local Government support for economic development	\$3,896,279	27	\$38,788	\$62,098
MEDAAF 3-Direct assistance to Local Governments	3,320,553	23	39,822	52,954
MEDAAF 4-Regional or Local Revolving Loan Funds	575,726	5	33,700	9,144
3. Leveraging private sector investment	\$77,513,815	454	\$40,525	\$1,079,335
Maryland Industrial Financing Authority	77,513,815	454	40,525	1,079,335
4. Assistance to small and minority businesses	\$447,804,880	2,851	\$36,600	\$6,304,427
Maryland Small Business Development Financing	77,577,917	520	31,833	1,007,483
Military Personnel/ Veteran-owned small business	16,084,667	100	41,362	242,687
Video Lottery Terminal Fund	354,142,296	2,231	37,497	5,054,258
5. Startups and Innovation	\$1,028,263,423	4,025	\$55,246	\$12,777,187
Biotech Investment Incentive Tax Credit	273,549,626	809	58,507	2,753,170
Cybersecurity Investor Incentive Tax Credit	3,354,690	11	61,312	39,470
E-Novation	12,568,725	96	49,279	281,127
Research & Development Tax Credit	738,790,382	3,109	54,560	9,703,420
6. Targeted Industry promotion	\$157,155,855	1,104	\$31,534	\$2,095,962
Film Production Activity Tax Credit	128,460,243	926	26,545	1,507,594
Wineries & Vineyards	2,870,302	12	34,061	24,531
Employer Security Costs Tax Credit	25,825,310	166	59,209	563,837
7. Special Purpose	\$81,184,032	470	\$51,127	\$1,433,011
ExportMD	81,184,032	469	51,172	1,433,011
NIMBL	110,730	1	27,847	1,552
Total	\$10,855,992,894	54,826	\$53,392	\$170,364,576

1. Job Creation and Retention

Many programs have overarching objectives with job creation serving as the common measure. Most of the Department's programs are evaluated based on job creation, either directly or indirectly. However, there are many ways of achieving job creation either through incentives to individual companies, growing strategic industries or developing new economic activities. The primary way that economic development programs create jobs is to bring new economic activity and spending to a region that would not otherwise occur. Therefore, most economic development programs are targeted to basic industries, those exporting from the region and bringing wealth from outside, with non-basic (or service) industries supporting those basic industries and growing as the new activities develop. Programs may provide incentives based on job creation and/or on investment, which in turn generates jobs through increased economic activity. The core metrics for these programs are new and retained jobs and wages.

Economic Development Opportunities Program Fund (Sunny Day)

The Economic Development Opportunities Program Fund, known as Sunny Day, was enacted in 1988 to enable Maryland to act on extraordinary economic development proposals that required financial assistance beyond the capabilities of other state and local financing programs. Sunny Day funds are loaned, granted or invested to assist in the retention and expansion of existing business, or the establishment and attraction of new business in Maryland. In fiscal year 2018 one Sunny Day Conditional loan for \$5 million was settled for Marriott International to keep its headquarters in Maryland, retaining 3,250 full-time and 250 part-time jobs in Maryland. The Marriott headquarters project includes new construction of a \$600 million facility in downtown Bethesda, spurring additional impacts from construction.

Sunny Day FY 2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	3,250	\$97,870,390	\$5,752,480
Secondary	1,697	\$62,807,450	\$3,775,910
Total	4,947	\$160,677,840	\$9,528,380

Commerce analysis using IMPLAN, Amounts in 2018 dollars

One Maryland Tax Credit (OneMD)

The One Maryland Tax Credit (OneMD) was enacted in 1999 to promote job creation and investment in qualified distressed communities, those counties with high unemployment and low per capita income compared to the rest of Maryland. To qualify for the credits, the business must create at least 25 new jobs and make capital expenditures. The jobs must be full-time, pay at least 150 percent of federal minimum wage and the business must be in a targeted industry sector. Chapter 584, Acts of 2018 amended the program to create tiered benefits and job thresholds. The changes also expanded the eligible jurisdictions based on levels of economic

prosperity. Those changes were effective for any business that applies for Final Certification beginning July 1, 2018.

In FY 2018, the Department issued Final Certificates of Eligibility to six companies in Baltimore City, Caroline, Garrett and Washington County. The businesses reported creating 238 new jobs and eligible project expenditures of \$22.9 million. The impact is 479 total jobs and \$1.2 million in annual tax revenues to the State. The project costs are the expenses incurred for the acquisition, construction, rehabilitation, installation, and equipping of an eligible project. Additional start-up costs are for the expense of moving a business from outside Maryland and the costs of furnishing and equipping a new location. These activities generate additional direct jobs to the State outside of the direct jobs but these are not included.

One Maryland Tax Credits FY2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	238	\$11,564,330	\$699,350
Secondary	241	\$9,681,940	\$578,200
Total	479	\$21,246,270	\$1,277,550

Commerce analysis using IMPLAN, Amounts in 2018 dollars

The amount of tax credits actually claimed by the company is not known to the Department. However, based on the eligible project costs, the companies could be eligible to claim as much as \$22.9 million in credits over 14 years. As a non-discretionary tax credit, the applicants must demonstrate that they have met job creation and investment targets prior to claiming the credits. Businesses have 14 years to carry the credit forward, but they must maintain the jobs for that period. Because the refundable portion of the credit is limited to the payroll withholding of the qualified jobs, the businesses that create a large number of jobs will accelerate their ability to use their full credit.

Job Creation Tax Credit (JCTC)

The Job Creation Tax Credit (JCTC) was enacted in 1996 to encourage businesses to create new jobs in Maryland. The credit is available Statewide, but lower job thresholds and increased credits are available in targeted areas. The JCTC underwent the major reform during the 2017 session to reflect the current economic environment and to improve compliance. The new JCTC became effective as of January 1, 2018. Therefore, FY 2018 reports include the program activities under the old and new statutes. Under the old rule, the credits are available for full-time jobs paying at least 150 percent of federal minimum wage in targeted industry sectors. Beginning on January 1, credits are for full-time jobs paying 120 percent of state minimum wage. The JCTC is available anywhere in the State in a variety of targeted industry sectors.

In FY 2018, the Department issued final certificates of eligibility for the JCTC to 15 companies who reported creating 2,384 new jobs in Maryland. The amount of tax credits actually claimed by the company is not known to the Department because of taxpayer confidentiality. However, based on the eligible jobs and wages, the companies could be eligible to claim as much as \$4.3 million in credits. Four of the JCTC recipients also received OneMaryland tax credits so the jobs

were adjusted to avoid double counting impacts. The total impact is 2,239 direct jobs resulting in 3,937 total jobs and \$11.4 million in annual tax revenues to the State.

JCTC FY 2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	2,239	\$129,837,020	\$7,716,220
Secondary	1,698	\$63,134,530	\$3,708,660
Total	3,937	\$192,971,550	\$11,424,870

Commerce analysis using IMPLAN, Amounts in 2018 dollars

Partnership for Workforce Quality (PWQ)

The Partnership for Workforce Quality Program (PWQ) was established by legislation in 1989 to assist Maryland companies to invest in training for employees. The funds enable companies to acquire new skills and technologies that have been identified by the business plan as a catalyst for growth and competitiveness in the industry. PWQ helps participating companies develop and implement training systems to improve business competitiveness and worker productivity, upgrade the skills of workers to accommodate new technologies and production processes, and promote employment stability. Funds are disbursed to eligible Maryland companies in the form of grants for up to 50 percent of qualified reimbursable direct cost of training.

In FY 2018, 30 companies received training grants totaling \$748,392 with training costs of \$1.4 million for the training of 1,043 employees. The companies also reported 15 new jobs and 1,188 retained jobs. The impact analysis below is based on the impact of the trainees only. Additional benefits are possible from providing improved skills and increasing productivity. Those jobs generate 2,042 total jobs and annual State revenues of \$5.8 million.

PWQ FY 2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	1,043	\$57,163,870	\$3,397,250
Secondary	999	\$40,349,310	\$2,407,740
Total	2,042	\$97,513,190	\$5,804,990

Commerce analysis using IMPLAN, Amounts in 2018 dollars

Hire Our Veterans Tax Credit (HOVTC)

The Hire Our Veterans Tax Credit (HOVTC) was established by legislation in 2017 to provide a State income tax credit to small businesses for hiring qualified veterans based on wages paid to those veteran employees. A qualified small business may qualify for an income tax credit up to a maximum of \$1,800 per qualified veteran employee in the first year of employment. In FY 2018, the first year of the program, four companies received credits totaling \$7,200 and reported 4 new employees.

Hire Our Veterans FY 2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	4	\$136,010	\$7,990
Secondary	4	\$130,050	\$7,830
Total	8	\$266,060	\$15,820

Commerce analysis using IMPLAN, Amounts in 2018 dollars

Aerospace, Electronics, or Defense Contract Tax Credit (AEDTC)

The Aerospace, Electronics, or Defense Contract Tax Credit (AEDTC) was established by legislation in 2016 to provide a tax credit to a business operating a qualified aerospace, electronics, or defense project that creates or retains at least 10,000 jobs and spends at least \$25 million in qualified expenditures during the credit year. In Tax Year 2017 Northrop Grumman Systems Corporation was a qualified business entity operating three Aerospace, Electronics, or Defense Contract projects in Maryland. Each Aerospace, Electronics, or Defense Contract project qualified for \$2.5 million of tax credit, resulting in total aggregate credits of \$7.5 million. The company retained 10,000 jobs for contracts supporting radar manufacturing and assembly, building missile target vehicles, and other defense contracts.

Aerospace, Electronic, Defense FY 2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	10,000	\$1,003,139,300	\$56,169,320
Secondary	13,222	\$514,405,300	\$30,602,510
Total	23,222	\$1,517,544,600	\$86,771,830

Commerce analysis using IMPLAN, Amounts in 2018 dollars

Maryland Economic Development Assistance Authority Fund (MEDAAF)

The Maryland Economic Development Assistance Authority Fund (MEDAAF), now referred to as “Advantage Maryland,” is the primary economic development finance tool offered by the Department. MEDAAF was enacted in 1999 to provide below market, fixed rate financing to growth industry sector businesses, locating or expanding in priority funding areas of the State. The MEDAAF program is administered under five capabilities that address appropriate economic development opportunities for both the business community and political jurisdictions as follows:

- MEDAAF Capability 1 - Significant Strategic Economic Development Opportunities
- MEDAAF Capability 2 - Local Economic Development Opportunities
- MEDAAF Capability 3 - Direct Assistance to Local Jurisdictions or MEDCO
- MEDAAF Capability 4 - Regional or Local Revolving Loan Funds
- MEDAAF Capability 5 - Special Purpose Grants and Loans/Brownfields

The primary job creation capabilities are MEDAAF-1 and 2. MEDAAF-3 provides direct assistance to local jurisdictions for economic development projects and MEDAAF-4 provides for local governments to create revolving loan funds to assist small businesses. MEDAAF-5 has several special purposes including day care facility finance, Arts and Entertainment Districts, and brownfield remediation.

MEDAAF Capability 1 - Significant Strategic Economic Development Opportunities

Projects under this capability are normally regarded as producing significant economic development opportunities on a Statewide or regional level. Assistance is provided directly to businesses or through the Maryland Economic Development Corporation (MEDCO) in the form of a loan. The maximum assistance under this capability cannot exceed the lesser of \$10,000,000 or 20 percent of the current fund balance. This capability has had limited use for a number of years and there was no activity in FY 2018.

MEDAAF Capability 2 - Local Economic Development Opportunities

Capability 2 of MEDAAF provides assistance in the form of a loan, a conditional loan, investment, or a grant directly to a business or to MEDCO for use in the project. All assistance under this capability must be endorsed through a formal resolution by the governing body of the jurisdiction in which the project is located. In addition, the local jurisdiction must participate in an amount equal to at least 10 percent of the total assistance. Funds may be used for land acquisition, infrastructure improvements, buildings, fixed assets and leasehold improvements.

Fifteen companies received funding under MEDAAF-2 totaling \$11.1 million in FY 2018. The assistance takes the form of conditional loans and conditional grants. The recipients include seven manufacturers, two distribution companies, a dairy, a construction company and a Fortune 500 headquarters. The companies committed to creating 1,941 new jobs and retaining 3,420 jobs for a total of 5,361 direct jobs. With an average annual salary over \$47,000, the direct jobs are estimated to generate \$18.7 million in annual State revenues. Including secondary impacts, the annual State revenues are nearly \$32 million. In addition, project costs totaling \$245 million may generate additional economic activity and revenues for the State although these are not included in the impacts below.

MEDAAF-2 FY2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	5,331	\$314,921,120	\$18,715,770
Secondary	5,929	\$217,109,800	\$13,071,780
Total	11,260	\$532,030,920	\$31,787,550

Commerce analysis using IMPLAN, Amounts in 2018 dollars

2. Local Government Support for Economic Development

Commerce partners with numerous agencies and organizations to bring strategic economic development opportunities to communities throughout Maryland. The Department may provide funding to a local jurisdiction or to the Maryland Economic Development Corporations for commercial and industrial economic development projects, strategic plans, feasibility studies,

revolving loan funds and infrastructure projects. There may be no reported immediate job impacts of these projects, as the funds go directly to the jurisdiction and not to a business. The evaluation therefore should be based on results reported by the community in terms of assistance leveraged and project costs.

MEDAAF Capability 3 - Direct Assistance to Local Jurisdictions or MEDCO

Capability 3 of MEDAAF provides assistance directly to a local jurisdiction or the Maryland Economic Development Corporation (MEDCO) for local economic development needs including feasibility studies, economic development strategic plans, and infrastructure. Funds may be used for buildings, infrastructure improvements, fixed assets and leasehold improvements. All assistance under this capability must be endorsed through a formal resolution by the governing body of the jurisdiction in which the project is located. Assistance provided may be in the form of a loan, a conditional loan, investment, or a grant.

During FY 2018, the Department completed one transaction totaling \$2 million to MEDCO for costs of site and infrastructure improvements along and to Tradepoint Avenue adjacent to Under Armour, Inc.'s approximately 1,000,000 square foot facility at Tradepoint Atlantic in Baltimore County. The Sparrows Point distribution house employ approximately 1,000 employees in the Baltimore area.

The infrastructure project is estimated to have generated 14 direct full-time-equivalent construction jobs. The direct and secondary jobs are estimated to generate \$900,000 in wages and \$52,950 in annual State revenues. The impacts of the Under Armour jobs are not included.

MEDAAF-3 FY2018 Impacts

	Jobs	Wages	Annual State Revenues
Direct	14	\$584,810	\$34,320
Secondary	8	\$317,150	\$18,630
Total	23	\$901,960	\$52,950

Commerce analysis using IMPLAN, Amounts in 2018 dollars

MEDAAF Capability 4 - Regional or Local Revolving Loan Funds

Capability 4 of MEDAAF provides assistance to local jurisdictions to help capitalize local economic development revolving loan funds. The typical revolving loan fund client is a small business that may be in an industry sector, such as retail service, that is not otherwise eligible for assistance. The final recipient of financing is determined by the local jurisdiction. Jurisdictions may receive funding of up to \$250,000 annually. To qualify for funding, local jurisdictions must provide acceptable matching funds into the designated revolving loan fund. With the growth in available funding through the State's Small, Minority, and Women-Owned Businesses Account - Video Lottery Terminal Fund there has been less demand for the revolving loan fund.

In FY 2018, two transactions were completed for grants of \$100,000 each to Salisbury-Wicomico Economic Development and the Tri-County Council of the Lower Eastern Shore.

MEDAAF-4 FY2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	3	\$112,880	\$6,630
Secondary	1	\$42,140	\$2,510
Total	5	\$155,020	\$9,140

Commerce analysis using IMPLAN, Amounts in 2018 dollars

3. Leveraging Private Investment

To help secure more funding for Maryland's entrepreneurs and reduce risk, Commerce programs encourage private sector investments with insurance and the issuance of tax-exempt and taxable revenue bonds.

Maryland Industrial Development Financing Authority (MIDFA)

The Maryland Industrial Development Financing Authority (MIDFA) was established by the Maryland General Assembly in 1965 to promote significant economic development by providing financing support to manufacturing, industrial and technology businesses located in or moving to Maryland. MIDFA encourages private sector investments through the use of insurance, the issuance of tax-exempt and taxable revenue bonds and linked deposits, which reduces a lender's risk and increase access to capital for small and mid-sized companies. The Program has increased its commitment to growth and development of small business by increasing outreach efforts to community banks.

The Fund does not provide direct loans, but provides insurance to transactions resulting in reduced credit risks, and enabling better terms from private financial institutions. During FY 2018, MIDFA settled one Conventional Insurance transaction totaling \$4.2 million and insured for \$1.3 million. The company reported 85 retained jobs and project costs of \$4.2 million. A MIDFA tax exempt bond of \$6.57 million was issued to finance Garrison Forrest School's construction of a new middle school and other campus and site improvements.

MIDFA FY2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	292	\$12,340,680	\$724,280
Secondary	162	\$6,044,250	\$355,050
Total	454	\$18,384,940	\$1,079,330

Commerce analysis using IMPLAN, Amounts in 2018 dollars

4. Assistance to Small and Minority Businesses

Another economic development priority is to target assistance to populations and areas that have been underserved compared to the rest of the region. Several of the Department's job creation programs, such as One Maryland tax credits are limited to those jurisdictions with higher levels

of unemployment or lower incomes than the rest of the State. These targeted programs aim to ensure that economic development incentives are used broadly across the State. Unlike most economic development incentives, these programs may be used for non-basic industries such as retail, which may not bring new spending into the State, but that support existing businesses and entrepreneurs, that are in areas experiencing greater economic distress.

Maryland Economic Adjustment Fund

The Maryland Economic Adjustment Fund (MEAF) was established in 1994 as a revolving loan fund to assist companies experiencing dislocation due to defense adjustments. MEAF is supported by funds from the US Economic Development Administration and the State. Funding assistance through MEAF assists small businesses with upgrading manufacturing operations, developing commercial applications for technology, or entering into and competing in new economic markets. Eligible businesses include manufacturers, wholesalers, service companies, and skilled trades. Funds can be used for working capital machinery and equipment, building renovations, real estate acquisitions and site improvements. There was no activity in FY 2018.

Military Personnel and Veteran-Owned Small Business No-Interest Loan Program

The Military Personnel and Veteran-Owned Small Business No-Interest Loan Program (MPVSBLP) was enacted originally in 2006 to assist with costs that result from the call to active duty for businesses owned by military reservists and National Guard members and for small businesses that employ such persons. In the 2013 Legislative session, the Maryland General Assembly approved Chapter 105, which altered the name and expanded eligibility for participation in the program to include all veteran-owned small businesses. The change also eliminated the requirement for a veteran to have a service related disability to use the program.

During fiscal year 2018, the Department settled seven MPVSBLP transactions that will utilize \$350,000 of program funds. These projects are anticipated to create 43 jobs and retain 15. Recipients include a flight instruction company, a juice and smoothie bar, a cybersecurity consulting company, and a tax preparer.

Military/Veteran Small Business FY2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	58	\$2,510,370	\$147,340
Secondary	42	\$1,623,390	\$95,350
Total	100	\$4,133,760	\$242,690

Commerce analysis using IMPLAN, Amounts in 2018 dollars

Maryland Small Business Development Financing Authority (MSBDFA)

The Maryland Small Business Development Financing Authority (MSBDFA) was enacted in 1978 to promote the viability and expansion of businesses owned by economically and socially disadvantaged entrepreneurs. In 2001, the Maryland General Assembly modified the statute to include all small businesses that do not meet the credit criteria of financial institutions, and consequently are unable to obtain adequate business financing on reasonable terms through normal financing channels. Meridian Management Group, Inc. (MMG) manages the funds under contract with the Department.

MSBDFA offers contract financing, surety bonds, guaranty funds and equity participation. During FY 2018, 23 transactions settled in the form of loans, guaranties and surety bonds, totaling \$7.3 million.

- The Contract Financing Program (CFP) provides financial assistance to eligible businesses in the form of direct loans and loan guaranties. The funds may be used for working capital and the acquisition of equipment needed to begin, continue, or complete work on contracts where a majority of funds are provided by a federal, state or local government agency or utilities regulated by the Public Service Commission. During FY 2018, one loan transactions closed totaling \$800,000.
- Guaranty Fund Program (GFP) provides financial assistance to eligible businesses in the form of loan guaranties and interest rate subsidies for loans made by financial institutions. In FY 2018, there was one transaction under the Guaranty Fund component requiring \$30,240 of guarantee support.
- Surety Bond Program (SBP) assists eligible small businesses in obtaining bid, performance or payment bonds necessary to perform on contracts where the majority of funds are provided by a government agency, public utility company or private entity. During FY 2018, one surety bond transaction settled for \$400,000.
- Equity Participation Investment Program's (EPIP) purpose is to expand business ownership by socially and economically disadvantaged entrepreneurs and small businesses that do not meet the established credit criteria of financial institutions and are unable to obtain adequate business financing on reasonable terms through normal financing channels. Financial assistance is provided through the use of loans, loan guaranties, and equity investments. In FY 2018, there were 20 EPIP transactions equal to \$4.79 million.

In total, there were 23 settled transactions for 20 recipients of MSBDFA assistance in FY 2018. The recipients reported 168 new jobs, 179 retained jobs and total project costs of \$8.0 million. Three of the recipients received multiple awards and four received financing through the Video Lottery Terminal loan fund through MMG. The direct jobs reported by the recipients are divided between the MSBDFA impacts and the VLT impacts. The 321 jobs are estimated to generate 199 additional jobs and total annual State revenues of \$1.0 million.

MSBDFA FY2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	321	\$9,084,040	\$569,630
Secondary	199	\$7,455,030	\$437,860
Total	520	\$16,539,070	\$1,007,480

Commerce analysis using IMPLAN, Amounts in 2018 dollars

Small, Minority, and Women-Owned Businesses Account - Video Lottery Terminal Fund

The Small, Minority, and Women-Owned Businesses Account- Video Lottery Terminal Fund (VLT) provides investment capital and loans to small, minority, and women-owned businesses in the State. The 2007 legislation establishing VLTs in Maryland created the Small, Minority, and

Women-Owned Businesses Account. State Law requires that 1.5 percent of VLT proceeds be paid into the Account to be used by Commerce to make grants to eligible fund managers to provide investment capital and loans to small, minority, and women-owned businesses in the State, of which at least 50 percent must be allocated to such businesses in the jurisdictions and communities surrounding a video lottery facility. Eligible Fund Managers oversee the distribution of video lottery terminal funds. In FY 2018, there were eight designated fund managers that received funds for the purpose of making loans to small, minority, and women-owned businesses in the State.

- Anne Arundel Economic Development Corporation (AAEDC) settled 13 transactions totaling \$2,033,000.
- Baltimore County Department of Economic and Workforce Development settled 7 transactions totaling \$965,000.
- Baltimore Development Corp. settled 5 transactions totaling \$627,000.
- FSC First Prince George's settled 4 transactions totaling \$455,000.
- Howard County Economic Development Authority settled eight transactions totaling \$1,246,650.
- Maryland Capital Enterprises Inc. (MCE) settled 23 transactions totaling \$ 1,319,000.
- Meridian Management Group, Inc. (MMG) settled 17 transactions totaling \$1,909,575.
- Tri County Council for Western Maryland settled 6 transactions totaling \$1,077,000.

Of the 78 businesses supported by the VLT funds one-third are minority-owned and one-third are women-owned. The largest industry sectors supported are food services, retail trade, manufacturing, and construction. Over half of the recipients used the funds for working capital. Other uses were real estate acquisition, building renovation, and equipment purchases. The loan funds leveraged \$18.7 million in private sector funding.

In total, the fund managers reported that loans totaling \$9,632,225 supported 483 new jobs and retained 919 jobs. The transactions are estimated to result in 2,231 total jobs and \$5.0 million in annual State revenue.

VLT FY 2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	1,334	\$49,404,070	\$3,042,120
Secondary	897	\$34,257,120	\$2,012,140
Total	2,231	\$83,661,180	\$5,054,260

Commerce analysis using IMPLAN, Amounts in 2018 dollars

5. Promoting Technology Startups and Innovation

Another strategy for promoting economic growth is promoting technology innovation. Through the process of invention and commercialization, new economic activity is created that attracts investment and spending from outside the region. These kinds of activities may require different incentives, as the needs of technology startups differ from those of existing businesses. The goal is to trigger the higher wages and faster growth these activities stimulate. Maryland has a number

of programs that are designed to take advantage of the State's unique opportunities in areas of technology and innovation. These include the State's incubators, TEDCO programs, university technology transfer, tax credits and direct investment. The goal is the commercialization of existing technology to create new economic activity and the creation of new startups. The core metric is generally related to the amount of investment leveraged, the number of startups nurtured, and "graduations" from incubators. The number of jobs created by the recipients is generally smaller than other programs initially, with greater potential for growth in later years.

Biotechnology Investment Incentive Tax Credit (BIITC)

Maryland's Biotechnology Investment Incentive Tax Credit (BIITC) program provides income tax credits for investors that invest in Qualified Maryland Biotechnology Companies (QMBCs). This tax credit program was enacted in 2005 to offer incentives for investment in seed and early stage, privately held biotech companies. In Fiscal Year 2018, the appropriation was \$12 million. There were 27 QMBCs to qualify for investments through the program in FY 2018. The amount of Final Tax Credit Certificates awarded was \$12,379,430, leveraging \$24.8 million in investment from 157 investors. The QMBCs reported 234 jobs supported in Maryland.

BIITC FY 2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	234	\$20,434,630	\$1,160,600
Secondary	575	\$26,901,300	\$1,592,570
Total	809	\$47,335,920	\$2,753,170

Commerce analysis using IMPLAN, Amounts in 2018 dollars

Cybersecurity Investment Incentive Tax Credit (CIITC)

Maryland's Cybersecurity Investment Incentive Tax Credit (CIITC) program provides a refundable income tax credit to Qualified Maryland Cybersecurity Companies (QMCCs) that secure investment from investors. The purpose of this program is to incentivize and attract cybersecurity companies to startup in or move to Maryland; and to attract investment to cybersecurity companies in order to help them grow, create jobs and retain intellectual property in Maryland.

There was one Qualified Maryland Cybersecurity Company (QMCC) that qualified for tax credits totaling \$214,500 through the program in FY 2018. The QMCC receives a credit equal to 33 percent of an eligible investment in the QMCC. The total leveraged investment is \$643,500 from three private investors.

Chapter 578, Acts of 2018 altered the CIITC program to provide the incentive to the investor instead of the QMCC. These changes will be effective in FY 2019.

CIITC Annual Impacts 2018

	Jobs	Wages	Annual State Revenues
Direct	5	\$420,710	\$23,890
Secondary	6	\$263,530	\$15,580
Total	11	\$684,240	\$39,470

Commerce analysis using IMPLAN, Amounts in 2018 dollars

Research and Development (R&D) Tax Credit

The Research and Development Tax Credit (R&D Tax Credit) was enacted in 2000 to encourage businesses to maintain and increase R&D expenditures in the State. The R&D tax credit is not a tax credit that specifically targets job creation although it likely supports the increase in R&D jobs in the State.

The FY 2018 appropriation was \$5.5 million for a Basic R&D Tax Credit of 3 percent and \$6.5 million for a Growth R&D Tax Credit of 10 percent. To qualify for the R&D Growth credit a company's current year R&D expenditures must exceed its average expenses over the last four years. The program has been oversubscribed since first enacted, so the businesses receive a pro-rated share of the total amount available for both the Basic and Growth tax credit. At the nominal statutory rates, applicants would have received \$88.2 million in tax credits. However, the tax credits are limited to \$12 million and the credits pro-rated.

The Department certified 269 businesses to receive credits for research conducted in Maryland for their tax year ending in 2016 (certified in FY 2018). The largest share of tax credits goes to manufacturers, with nearly \$7.3 million of the \$12 million in total credits. The business reports the total number of jobs in Maryland and total number of jobs related to R&D, but they are not necessarily because of the R&D tax credit. The companies reported more than 82,000 total Maryland employees and over 16,000 Maryland employees engaged in R&D.

Industry	Count of Recipients	Tax Credit Amount
Manufacturing	87	7,320,736
Professional, Scientific and Technical Services	110	2,132,982
Information	21	1,393,582
Accommodation and Food Services	1	407,273
Construction	18	195,024
Finance and Insurance	1	143,936
Wholesale Trade	13	135,748
Other	17	270,719
Total	269	\$12,000,000

The businesses applying for the Maryland R&D tax credit incurred \$1.65 billion in research and development expenses in Maryland in the tax year ending 2016. Total R&D spending in 2016 increased \$431.6 million over the 2012-2015 average. Of the 268 businesses that received

certification, 168 increased their R&D expenses in 2016 over their average R&D expenses from the previous four years, and were therefore able to claim the R&D Growth Tax Credit.

Based on the amount of increase in R&D expenditures in the State, we estimate the program created 1,400 direct jobs, or 8 percent of the 16,000 Maryland employees engaged in R&D reported by the recipient companies. The total impact is 3,109 jobs and \$169 million in wages. The total State revenue from those jobs is \$9.7 million.

R&D Tax Credit FY 2018 Impacts (Tax Year 2016)

	Jobs	Wages	Annual State Revenues
Direct	1,400	\$102,786,340	\$5,778,730
Secondary	1,709	\$66,820,590	\$3,924,690
Total	3,109	\$169,606,930	\$9,703,420

Commerce analysis using IMPLAN, Amounts in 2018 dollars

Maryland E-Novation Initiative

The Maryland E-Novation Initiative (MEI) was enacted in 2014 to spur basic and applied research in scientific and technical fields at Maryland colleges and universities. The initiative provides a State match to private funds raised in support of endowed chairs at Maryland's higher education institutions. In FY 2018, the Department approved matching grants of \$8.02 million to support the endowments.

FY 2018 recipients were The College of Southern Maryland, The Johns Hopkins University, the University of Maryland Baltimore, and the University of Maryland College Park. Fields of study funded by MEI include advanced macular degeneration, machine learning and computer science, neurosurgery, and soil science, among others. There are no direct job impacts reported, but the investment can be estimated to result in academic activity that generates jobs. In FY 2018, the impacts are estimated at 61 total jobs and \$281,130 in annual State revenue.

Maryland E-Novation Initiative FY 2018 Impacts

	Jobs	Wages	Annual State Revenues
Direct	61	\$3,541,870	\$210,490
Secondary	36	\$1,201,730	\$70,630
Total	96	\$4,743,600	\$281,130

Commerce analysis using IMPLAN, Amounts in 2018 dollars

6. Economic Diversification Through Targeted Industry Support

While many state economic development programs aim to provide incentives to businesses from any industry, a large proportion of state programs target their incentives at specific industries. These may be existing industries, which have proven particularly valuable to the economy of the

state, are considered to have growth potential, or are emerging industries perceived as having strong future growth potential. The specific industries most targeted by incentive programs are research and development, entertainment and visitor industries, transportation and logistics, agribusiness and food processing, and renewable energy. Other industries frequently targeted by incentive programs include life sciences, information technology, defense and security and advanced manufacturing.

As with other states, many of Maryland's programs are intended to diversify the economy by focusing resources on the industry sectors that promote the greatest impact and opportunities for growth. The focus is generally on industries that bring new spending into the State that would not otherwise occur. Examples include:

- Cybersecurity Investment Incentive Tax Credit
- Biotechnology Investment Incentive Tax Credit
- Employer Security Clearance Costs Tax Credit
- Maryland Wineries and Vineyards Tax Credit

Employer Security Clearance Costs Tax Credit

The Maryland Employer Security Clearance Costs Tax Credit program was enacted during the 2012 session of the Maryland General Assembly. The Maryland Employer Security Clearance Costs Tax Credit Program includes three tax credits:

- Security Clearance Administrative Expense Tax Credit – This credit is 100 percent of eligible administrative expenses related to obtaining and maintaining federal security clearance for employees up to \$200,000. Employers reported they incurred \$2.7 million in eligible costs.
- Sensitive Compartmented Information Facility Costs Tax Credit – This tax credit is 50 percent of eligible construction or renovation costs of a single Sensitive Compartmented Information Facility (SCIF) up to \$200,000, and costs related to multiple SCIFs up to \$500,000. Employers reported they incurred \$11.0 million in SCIF costs.
- First Year Leasing Costs Tax Credit for Qualified Small Business – This credit is 100 percent of eligible first year leasing costs for small businesses doing security-based contract work up to \$200,000. Employers reported \$10,122 in lease costs.

The Department certified 63 businesses to receive credits for incurring \$13.7 million in qualified costs in Maryland for their tax year ending in 2016 (certified in FY 2018). The recipients and credit amounts are listed in Appendix D. The companies reported a total of 20,000 Maryland employees and 13,699 Maryland positions engaged in security-based work.

- \$2.7 million in eligible Security Clearance Administrative costs
- \$11.0 million in eligible SCIF costs
- \$10,122 in eligible lease costs

Based on the economic impact of the qualified costs the credit generated 166 total jobs and \$563,840 in annual State revenues.

**Employer Security Clearance Costs Tax Credit FY 2018 Impacts
(Tax Year 2016)**

	Jobs	Wages	Annual State Revenues
Direct	83	\$6,766,130	\$384,290
Secondary	83	\$3,056,330	\$179,550
Total	166	\$9,822,460	\$563,840

Commerce analysis using IMPLAN, Amounts in 2018 dollars

Maryland Film Production Activity Tax Credit

The Maryland Film Production Activity Tax Credit (Film tax credit) is a tax credit for qualified direct costs of qualified film production activities including feature films and TV series. The program intent is to encourage film production activity in Maryland. A film production entity may receive a refundable income tax credit of up to 25 percent of qualified direct costs of a film production activity. A television series may receive a credit of up to 27 percent of qualified direct costs.

One television production closed out reporting for the credits totaling \$7.0 million in FY 2018. House of Cards season 5 reported over \$76 million of spending in the State. The production reported hiring 1,809 local crew (crew, technicians, cast and extras) and purchased goods or services from 1,757 Maryland businesses. An analysis of the detailed production expenditures was used to estimate the number of direct, full-time equivalent jobs generated by the projects. The direct impact is 547 full-time equivalent jobs and 926 total jobs.

Film Production Activity Tax Credit FY 2018 Impacts

	Jobs	Wages	Annual State Revenues
Direct	547	\$13,025,350	\$806,320
Secondary	380	\$11,564,160	\$701,270
Total	926	\$24,589,520	\$1,507,590

Commerce analysis using IMPLAN, Amounts in 2018 dollars

Wineries and Vineyards Tax Credit

The Maryland Wineries and Vineyards Tax Credit program was enacted in 2012 for qualified capital expenses related to a Maryland winery or vineyard. The credit is equal to 25 percent of qualified capital expenses made in connection with the establishment of new wineries or vineyards, or capital improvements made to existing wineries or vineyards in Maryland. Total credits granted may not exceed \$500,000 in a year. If the total amount of credits applied for exceeds \$500,000, the credit is prorated among the certified applicants.

The Department certified 38 wineries and vineyards in 19 counties to receive credits of \$449,797 for \$1.8 million in capital expenditures made in Maryland for their tax year ending in 2016. The recipients and credit amounts are listed in Appendix E.

Wineries & Vineyards Tax Credit 2018 Impacts

	Jobs	Wages	Annual State Revenues
Direct	6	\$136,330	\$8,440
Secondary	6	\$271,640	\$16,090
Total	12	\$407,970	\$24,530

Commerce analysis using IMPLAN, Amounts in 2018 dollars

7. Special Purpose**MEDAAF Capability 5 - Special Purpose Grants and Loans**

This capability contains targeted programs for specialty initiatives that at one time had been deemed critical to the State's economic health and development by the General Assembly. These specialty programs may be exempt from local participation and certain other MEDAAF requirements. The special purpose initiatives include Brownfields, Seafood and Aquaculture, Animal Waste, Day Care, and Arts and Entertainment. The funds do not have a direct job creation component. In FY 2018, there were no settled transactions.

ExportMD

The ExportMD grant program helps to offset some of the costs of marketing internationally for Maryland's small and mid-sized companies. Maryland companies that receive an ExportMD Award are eligible for up to \$10,000 in reimbursement for expenses associated with an international marketing project and can also receive up to 40 hours of assistance from the Department's trade experts located in nine countries around the globe. Eligible expenses include those related to an international marketing initiative including trade show fees, airfare, translation of brochures and web site development. These activities may result in additional contracts and increased sales, which lead to increased employment. In FY 2018, 92 companies received grants of \$5,000-\$10,000 for a total of \$469,500. The companies reported increased sales from exporting of \$45.3 million. The total impact is 469 jobs, \$24 million in wages and \$1.4 million in annual State revenues.

ExportMD FY2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	233	\$14,953,240	\$900,760
Secondary	237	\$9,061,570	\$532,250
Total	469	\$24,014,820	\$1,433,010

Commerce analysis using IMPLAN, Amounts in 2018 dollars

Maryland Nonprofit Development Center Program and Fund - Nonprofit, Interest-Free, Micro Bridge Loan Account (NIMBL)

The Maryland Nonprofit Development Center Program and Fund (NIMBL) is a loan program under the Maryland Nonprofit Development Center Program. The purpose of the program is to foster, support, and assist the economic growth and revitalization of qualifying nonprofit entities in the State by providing bridge loans to nonprofit entities. NIMBL provides short-term

financing support to qualifying nonprofit entities between the award date of a government contract and the actual receipt date of those awarded funds. Maryland nonprofits are eligible for up to \$25,000 in NIMBL interest-free loans. Nonprofit entity must provide written confirmation from the government entity of funding from government grants or contracts but have not yet received funding, with repayment due upon final grant or contract payment. Loan funds may be used for operating expenses only. In FY 2018, 3 nonprofits received loans totaling \$64,760.

NIMBL FY2018 Annual Impacts

	Jobs	Wages	Annual State Revenues
Direct	1	\$14,360	\$900
Secondary	0	\$10,730	\$650
Total	1	\$25,090	\$1,550

Commerce analysis using IMPLAN, Amounts in 2018 dollars

State Return on Investment for Commerce Incentives

The Commerce incentive evaluation conducted for the Jobs Development Act report uses jobs, wages and investment as the main metrics to estimate the tax revenues returned to the State from its incentive investments. The total number of direct and secondary jobs and wages generated by each program is used to estimate the annual tax revenues generated. This can be used to determine an overall one-year ROI for the programs. Because of the reliance on jobs and wage data as inputs, the ROI varies significantly by program. As seen in **Table 5**, the incentive programs in FY 2018 generate \$170 million in state revenues, or \$1.37 per \$1 of incentive investment.

Programs that are primarily focused on job creation have an ROI per incentive dollar of \$2.84 in revenues per dollar of incentive. Most of the other program categories return less than \$1 per incentive dollar, but it should be noted that the revenues are based on only one year of impacts. In general, Commerce finance program ROI is determined based on the length of the contract period. Most MEDAAF financing deals, for example, have a contract term of 10-years and an overall ROI of \$10 per incentive dollar. Industries with higher average salaries generate higher revenues per job.

The ROI calculation is based on tax revenues from employee wages and spending, but does not include corporate taxes or taxes on production. The IMPLAN model provides an estimate of these revenues. If those other revenues are included, the State taxes increase to \$294 million.

Table 5: Return on Investment by Program

	Total Jobs	Incentives per job	Annual State Tax Revenues	Revenues per \$1 incentive
Job creation and retention	45,895	\$1,126	\$146,611,004	\$2.84
MEDAAF-2 - Economic Development Opportunities	11,260	\$990	\$31,787,548	\$2.85
Partnership for Workforce Quality	2,042	\$367	\$5,804,992	\$7.76
Sunny Day	4,947	\$1,011	\$9,528,384	\$1.91
Job Creation Tax Credit	3,937	\$1,103	\$11,424,874	\$2.63
One Maryland Tax Credit	479	\$47,857	\$1,277,551	\$0.06
Hire Our Veterans Tax Credit	8	\$950	\$15,821	\$2.20
Aerospace, Electronics, or Defense Contracts	23,222	\$323	\$86,771,833	\$11.57
Local Government support for economic development	27	\$80,734	\$62,098	\$0.03
MEDAAF-3 - Direct Assistance to Local Jurisdictions	23	\$88,300	\$52,954	\$0.03
MEDAAF-4 – Regional/ Local Revolving Loan Funds	5	\$43,478	\$9,144	\$0.05
Leveraging private sector investment	454	\$26,716	\$1,079,335	\$0.09
Maryland Industrial Financing Authority	454	\$26,716	\$1,079,335	\$0.09
Assistance to small and disadvantaged businesses	2,851	\$5,689	\$6,304,427	\$0.39
Maryland Small Business Development Financing	520	\$12,002	\$1,007,483	\$0.16
Military Personnel/Veteran-owned small business	100	\$3,502	\$242,687	\$0.69
Small, Minority, and Women-Owned Businesses	2,231	\$4,317	\$5,054,258	\$0.52
Startups and innovation	4,025	\$7,854	\$12,777,187	\$0.40
Biotech Investment Incentive Tax Credit	809	\$15,301	\$2,753,170	\$0.22
Cybersecurity Investor Incentive Tax Credit	11	\$19,220	\$39,470	\$0.18
E-Novation Initiative	96	\$72,927	\$281,127	\$0.04
Research & Development Tax Credit	3,109	\$3,860	\$9,703,420	\$0.81
Targeted Growth Industry promotion	1,104	\$8,601	\$2,095,962	\$0.22
Film Production Tax Credit	926	\$7,608	\$1,507,594	\$0.21
Wineries & Vineyards	12	\$37,553	\$24,531	\$0.05
Employer Security Clearance Costs	166	\$12,056	\$563,837	\$0.28
Special Purpose	470	\$1,136	\$1,434,563	\$2.69
ExportMD	469	\$1,000	\$1,433,011	\$3.05
Non-profit Fund	1	\$71,874	\$1,552	\$0.02
Grand Total	54,826	\$2,268	\$170,364,576	\$1.37

Program Compliance

Each of the Department's assistance programs has fair and discernible requirements that are set forth and communicated to recipients at the inception of each incentive agreement. Over agreement, the Department's program-management staff maintains regular contact with recipients to maintain records of their adherence to these requirements. This contact includes, but is not limited to, email, phone, and direct mail requests for employment compliance reporting or tax information, payment reminders, and financial reviews. The Department strives to aid in and promote success for recipients, regardless of assistance type or business size.

Most of the compliance follow-up falls into one of two groupings of activities: discretionary and legal actions that can be exercised to attempt to remedy issues with an organization that fails to meet the requirements of an incentive program. While each program can be different, issues can be escalated from program-management staff to finance specialists or management; additional discussions with company representatives can occur to help remove obstacles to compliance and remedy problems; and obligations can be declared in default, if necessary.

On a case-by-case basis, the Department's program-management staffs explore all potential avenues for assistance and do everything possible to remedy individual business issues, such as failure to meet program requirements. Appendix G summarizes the triggers and remedial actions that can be taken to bring program-recipients into compliance, should the need arise. There have been some situations in which recipients have been unwilling to work with the Department on a plan to get back on track, or were too far beyond the scope of our assistance; however, these are rare. It is common practice to closely monitor and coach businesses to prevent this, and make adjustments to their specific requirements if needed. There are some rigid legal standards, more commonly with tax credits, but for the most part program-management staff is able to use discretion in instances of late and missed payments or specific employment requirements before resorting to consequences that are more serious. For example, program staff is able to make accommodations such as restructuring payment plans rather than sending the account to collections.

Because very few incentive recipients' cases are identical, there is some latitude in the processes for assisting companies in meeting program requirements and obligations. The Department is committed to assure recipients of economic-development incentives have the benefit of a full range of applicable remedies in the pursuit of a successful business outcome and strong working relationships.

Appendix A: FY 2018 Commerce Finance Tracker Incentives Report

Note: Excludes Biotech Investment Incentive Tax Credit (Appendix B), Research & Development Tax Credit (Appendix C), Employer Security Clearance Costs Tax Credit (Appendix D), and Wineries and Vineyards Tax Credit (Appendix E)

	Recipient	Program	Approved Loan Amount	Loan Guarantee Amount	Tax Credit Amount	Project Costs	Total Jobs	Primary County
1	Northrop Grumman Systems Corporation	Aerospace, Electronics, or Defense Contract			\$7,500,000	\$75,011,273	10,000	Anne Arundel
2	Machfu Inc.	Cybersecurity Investment			\$214,500		5	Montgomery
3	College of Southern Maryland F	E-Nnovation Initiative	\$500,000			\$500,000		Charles
4	Johns Hopkins University (The)	E-Nnovation Initiative	\$3,000,000			\$3,000,000		Baltimore City
5	Univ. of MD College Park Foundation	E-Nnovation Initiative	\$2,100,000			\$2,100,000		Prince George's
6	University Of Maryland Baltimore	E-Nnovation Initiative	\$1,420,000			\$1,420,000		Baltimore City
7	A1 Logic	Export Maryland	\$5,000					Montgomery
8	Acquired Data Solutions, Inc	Export Maryland	\$5,000					Montgomery
9	Adarsa Services	Export Maryland	\$5,000					Baltimore City
10	ADASHI Systems	Export Maryland	\$5,000					Baltimore City
11	Airphoton, LLC.	Export Maryland	\$5,000					Baltimore
12	Alertus Technologies	Export Maryland	\$5,000					Prince George's
13	Alpha Biosciences	Export Maryland	\$5,000					Baltimore City
14	Amarex Clinical Research LLC	Export Maryland	\$5,000					Montgomery
15	Amethyst Technologies, LLC	Export Maryland	\$5,000					Baltimore
16	Antraquip Corp	Export Maryland	\$5,000					Washington
17	APS Firehouse Alerting	Export Maryland	\$5,000					Carroll
18	Autoport Sales	Export Maryland	\$5,000					Prince George's
19	Baon Enterprises	Export Maryland	\$11,000					Anne Arundel
20	Beacon Environmental Services, Inc.	Export Maryland	\$5,000					Harford
21	BioStat Solutions, Inc.	Export Maryland	\$5,000					Frederick
22	Bricata LLC	Export Maryland	\$5,000					Howard
23	BTE Technologies	Export Maryland	\$5,000					Anne Arundel
24	Cavalier Logistics	Export Maryland	\$5,000					Howard
25	Chardel Technical Logistics	Export Maryland	\$5,000					Prince George's
26	Chesapeake Medical Products	Export Maryland	\$5,000					Baltimore
27	Chesapeake Specialty Products	Export Maryland	\$5,000					Baltimore City
28	ClickMedix	Export Maryland	\$5,000					Montgomery

Appendix A: FY 2018 Commerce Finance Tracker Incentives Report

	Recipient	Program	Approved Loan Amount	Loan Guarantee Amount	Tax Credit Amount	Project Costs	Total Jobs	Primary County
29	Clinical Pharmacy Associates	Export Maryland	\$5,000					Prince George's
30	Corbin Clinical Resources (Perineologic)	Export Maryland	\$5,000					Allegany
31	Cryptonite, LLC	Export Maryland	\$5,000					Montgomery
32	Cybrary	Export Maryland	\$5,000					Prince George's
33	DANAE Prosthetics	Export Maryland	\$5,000					Baltimore City
34	EndoMaster Medical Inc	Export Maryland	\$5,000					Prince George's
35	Eniware	Export Maryland	\$500					Montgomery
36	eThink Education	Export Maryland	\$5,000					Baltimore City
37	F&L Construction	Export Maryland	\$5,000					Prince George's
38	FASTech	Export Maryland	\$5,000					Montgomery
39	FDAImports	Export Maryland	\$5,000					Anne Arundel
40	FIVS-Abridge	Export Maryland	\$5,000					Montgomery
41	Glacier Security	Export Maryland	\$5,000					Anne Arundel
42	Goldfarb & Associates	Export Maryland	\$5,000					Montgomery
43	Green Eyes, LLC	Export Maryland	\$5,000					Talbot
44	Groma Tech, LLC	Export Maryland	\$5,000					Prince George's
45	Harbor Designs & Manufacturing	Export Maryland	\$5,000					Baltimore City
46	Hawkeye Medical	Export Maryland	\$5,000					Prince George's
47	Hurley IR	Export Maryland	\$5,000					Carroll
48	ICmed	Export Maryland	\$5,000					Baltimore City
49	Industrial Indicators (formerly Stress Indicators)	Export Maryland	\$5,000					Montgomery
50	Inky	Export Maryland	\$5,000					Montgomery
51	Inroad Toys	Export Maryland	\$5,000					Anne Arundel
52	Integrated Pharma Services (formerly Trideum Biosciences)	Export Maryland	\$5,000					Frederick
53	IP Subsea	Export Maryland	\$5,000					Baltimore
54	Jackson & Tull_Mfg Facility	Export Maryland	\$6,000					Prince George's
55	Kolon TissueGene, Inc.	Export Maryland	\$5,000					Montgomery
56	LaMotte Chemical Co.	Export Maryland	\$5,000					Kent
57	Lion's Wood Banquet Furniture	Export Maryland	\$5,000					Baltimore City
58	Maisie Dunbar Spa Lounge	Export Maryland	\$5,000					Montgomery

Appendix A: FY 2018 Commerce Finance Tracker Incentives Report

	Recipient	Program	Approved Loan Amount	Loan Guarantee Amount	Tax Credit Amount	Project Costs	Total Jobs	Primary County
59	Maryland Solar Solutions	Export Maryland	\$5,000					Baltimore
60	Matrax, Inc.	Export Maryland	\$5,000					Baltimore
61	Maven Engineering Corporation	Export Maryland	\$5,000					Montgomery
62	Medical Innovations	Export Maryland	\$5,000					Prince George's
63	Millman Systems	Export Maryland	\$5,000					Prince George's
64	Moss Marine	Export Maryland	\$5,000					Baltimore City
65	Murray Corporation	Export Maryland	\$5,000					Baltimore
66	Newton, LLC	Export Maryland	\$5,000					Prince George's
67	Optimoz	Export Maryland	\$5,000					Montgomery
68	Phelps Industrial Products	Export Maryland	\$5,000					Howard
69	Pixelligent	Export Maryland	\$5,000					Baltimore City
70	Premier Rides	Export Maryland	\$5,000					Baltimore City
71	Protenus	Export Maryland	\$5,000					Baltimore City
72	Quiade Technology & Consulting, Inc.	Export Maryland	\$10,000					Frederick
73	Rbtec Inc	Export Maryland	\$5,000					Montgomery
74	REV Drill Sales and Rentals, Inc.	Export Maryland	\$5,000					Frederick
75	Rife International	Export Maryland	\$5,000					Montgomery
76	Rovner Products	Export Maryland	\$5,000					Baltimore
77	Safe Chain Solutions	Export Maryland	\$5,000					Dorchester
78	Segami Corp	Export Maryland	\$5,000					Howard
79	Silent Circle	Export Maryland	\$5,000					Charles
80	Smith Medical	Export Maryland	\$5,000					Anne Arundel
81	SonoWorld (The Monroe Companies)	Export Maryland	\$6,000					Montgomery
82	South River Technologies	Export Maryland	\$5,000					Anne Arundel
83	Speak Agent	Export Maryland	\$5,000					Montgomery
84	T-Com, LP	Export Maryland	\$5,000					Howard
85	Technology Digest	Export Maryland	\$5,000					Montgomery
86	Tenax Corporation	Export Maryland	\$5,000					Baltimore City
87	Terbium Labs	Export Maryland	\$5,000					Baltimore City
88	Tetracore	Export Maryland	\$5,000					Montgomery
89	The Media Network	Export Maryland	\$5,000					Montgomery

Appendix A: FY 2018 Commerce Finance Tracker Incentives Report

	Recipient	Program	Approved Loan Amount	Loan Guarantee Amount	Tax Credit Amount	Project Costs	Total Jobs	Primary County
90	Theseus Professional Services	Export Maryland	\$5,000					Carroll
91	Thymly Products Inc.	Export Maryland	\$5,000					Cecil
92	Untethered Labs	Export Maryland	\$5,000					Prince George's
93	US Medical Innovations LLC	Export Maryland	\$5,000					Montgomery
94	US-Asia Links	Export Maryland	\$5,000					Montgomery
95	Vac Pac	Export Maryland	\$6,000					Baltimore
96	Vision Planning and Consulting	Export Maryland	\$5,000					Howard
97	WGS Systems, LLC	Export Maryland	\$5,000					Frederick
98	Zegaz	Export Maryland	\$5,000					Frederick
99	Knight Takes King Productions, LLC / House of Cards (Season 5)				\$7,047,304	\$76,054,938		Harford
100	Got Electric	Hire Our Veterans Tax Credit			\$1,800		1	Montgomery
101	Skyline Construction, Inc.	Hire Our Veterans Tax Credit			\$1,800		1	Frederick
102	Technology Support Services, Inc.	Hire Our Veterans Tax Credit			\$1,800		1	Carroll
103	Whitaker Legal, LLC	Hire Our Veterans Tax Credit			\$1,800		1	Baltimore
104	Amazon.com.dedc LLC	Job Creation Tax Credit			\$2,257,500		1,480	Baltimore City
105	Beitzel Corporation	Job Creation Tax Credit			\$111,000		45	Garrett
106	Bob's Discount Furniture, LLC	Job Creation Tax Credit			\$225,000		150	Cecil
107	Crystal Steel Fabricators, Inc.	Job Creation Tax Credit			\$135,000			Caroline
108	Helion Technologies, Inc.	Job Creation Tax Credit			\$111,000		37	Baltimore
109	J.J. McDonnell & Co., Inc.	Job Creation Tax Credit			\$87,000		29	Howard
110	Morgan Stanley & Co., LLC	Job Creation Tax Credit			\$223,500		149	Baltimore City
111	Sealy Mattress Manufacturing Company, LLC	Job Creation Tax Credit			\$96,000			Washington
112	Tailored Solutions & Consulting, Inc.	Job Creation Tax Credit			\$15,000		3	Montgomery
113	Taylor Farms Maryland, Inc.	Job Creation Tax Credit			\$160,000		32	Howard
114	TCC, LLC	Job Creation Tax Credit			\$28,464		31	Baltimore
115	Tenable	Job Creation Tax Credit			\$138,000		46	Howard
116	Vision Technologies, Inc.	Job Creation Tax Credit			\$75,000		25	Anne Arundel
117	XPO Logistic Supply Chain, Inc.	Job Creation Tax Credit			\$140,000		28	Harford
118	ZeniMax Media, Inc.	Job Creation Tax Credit			\$542,000		184	Montgomery
119	Amazon.com.dedc LLC	MEDAAF-2 Cond. Loan	\$1,200,000			\$20,000,000	700	Cecil
120	BioFactura, Inc.	MEDAAF-2 Cond. Loan	\$50,000			\$450,000		Frederick

Appendix A: FY 2018 Commerce Finance Tracker Incentives Report

	Recipient	Program	Approved Loan Amount	Loan Guarantee Amount	Tax Credit Amount	Project Costs	Total Jobs	Primary County
121	Coastal Sunbelt Produce Company	MEDAAF-2 Cond. Loan	\$1,000,000			\$50,612,000	1,050	Howard
122	Dixon Valve & Coupling Company	MEDAAF-2 Cond. Loan	\$1,000,000			\$20,000,000	330	Kent
123	ELTA North America, Inc	MEDAAF-2 Cond. Loan	\$200,000			\$850,000	70	Howard
124	Evapco, Inc.	MEDAAF-2 Cond. Loan	\$625,000			\$15,000,000	566	Carroll
125	Fairlawn Tool, Inc.	MEDAAF-2 Cond. Loan	\$200,000			\$4,000,000	90	Carroll
126	Iron World Manufacturing LLC	MEDAAF-2 Cond. Loan	\$300,000			\$1,173,000	119	Howard
127	Lanco Dairy Farms Co-op, Inc.	MEDAAF-2 Cond. Loan	\$225,000			\$24,000,000	90	Washington
128	Marriott International, Inc.	MEDAAF-2 Cond. Loan	\$2,000,000					Montgomery
129	McCormick & Company, Inc.	MEDAAF-2 Cond. Loan	\$2,000,000			\$10,000,000	800	Baltimore
130	Medline Industries, Inc.	MEDAAF-2 Cond. Loan	\$1,200,000			\$86,000,000	450	Cecil
131	Penguin Random House LLC	MEDAAF-2 Cond. Loan	\$200,000			\$9,000,000	720	Carroll
132	PRS Realty, LLC/Paul Reed Smit	MEDAAF-2 Cond. Loan	\$200,000			\$340,000	271	Queen Anne's
133	Find Solid Corp.	MEDAAF-2 Loan	\$750,000			\$3,275,000	75	Carroll
134	Maryland Economic Devel (MEDCO)	MEDAAF-3 Grant	\$2,000,000			\$2,000,000		Wicomico
135	Salisbury-Wicomico Economic De	MEDAAF-4 Cond. Grant	\$100,000			\$200,000		Multiple
136	Tri-County Council Lower Easte	MEDAAF-4 Grant	\$100,000					
137	Maryland Thermoform Corporatio	MIDFA Conventional Insurance	\$4,200,000	\$1,350,300		\$4,200,000	85	Baltimore City
138	Garrison Forest School	MIDFA Tax Exempt Bonds	\$6,570,000			\$7,200,000	207	Baltimore
139	C&B Strategic Consulting, Inc.	Military/Disabled Veterans	\$50,000			\$50,000	10	Baltimore City
140	C&E Pharmacy Services, LLC	Military/Disabled Veterans	\$50,000			\$50,000	11	Anne Arundel
141	Moore's Income Tax Service, LL	Military/Disabled Veterans	\$50,000			\$60,000	9	Baltimore
142	Narrows Hill, LLC	Military/Disabled Veterans	\$50,000			\$159,000	11	Garrett
143	Scooter Equipment, Inc.	Military/Disabled Veterans	\$50,000			\$50,000	2	Howard
144	SoBros Holding, LLC t/a Spin Juice House	Military/Disabled Veterans	\$50,000			\$95,000	12	Charles
145	Western Maryland Aviation, LLC	Military/Disabled Veterans	\$50,000			\$50,000	3	Washington
146	Flight Fab Inc.	MSB DFA Contract Financing Direct	\$800,000				19	Baltimore
147	Food Opportunities, LLC, dba Baked in Baltimore	MSB DFA EPIP Guaranty	\$368,850	\$173,360		\$591,500	28	Prince George's
148	A-Connection	MSB DFA EPIP	\$425,000			\$425,000	26	Baltimore City
149	Algits Incorporated	MSB DFA EPIP	\$400,000			\$1,150,000	12	Howard

Appendix A: FY 2018 Commerce Finance Tracker Incentives Report

	Recipient	Program	Approved Loan Amount	Loan Guarantee Amount	Tax Credit Amount	Project Costs	Total Jobs	Primary County
150	Carmen B. Young/ B&J Carryout,	MSBDFA EIP	\$150,000			\$1,700,000	24	Prince George's
151	Chappelle Group, LLC	MSBDFA EIP	\$165,000			\$165,000	13	Prince George's
152	DaCore Investment Group, LLC d	MSBDFA EIP	\$200,000			\$250,000	9	Charles
153	DTG Holdings, Inc.	MSBDFA EIP	\$300,000			\$300,000	71	Baltimore
154	Estime Enterprises, Inc.	MSBDFA EIP	\$550,000			\$550,000	16	Prince George's
155	Global HVAC, LLC	MSBDFA EIP	\$350,000			\$350,000	23	Carroll
156	J&J Smoothies, LLC	MSBDFA EIP	\$300,000			\$369,700	5	Prince George's
157	L&G Exclusive Cleaning Service	MSBDFA EIP	\$75,000			\$475,000		Prince George's
158	Midas Rx Pharmacy, LLC/ Fokos Group, LLC	MSBDFA EIP	\$200,000			\$200,000	5	Howard
159	Nepenthe Homebrew	MSBDFA EIP	\$25,000					Baltimore City
160	Sweet Potato Kids, Inc.	MSBDFA EIP	\$205,000			\$205,000	13	Baltimore
161	William Consulting, LLC	MSBDFA EIP	\$150,000			\$150,000	16	Baltimore
162	Admit Advantage, Inc. d/b/a Ad	MSBDFA EIP	\$300,000			\$300,000	6	Montgomery
163	Lessoncast Learning LLC	MSBDFA EIP	\$250,000			\$440,000	7	Baltimore
164	Reciprocall Health, Inc. dba R	MSBDFA EIP	\$375,000			\$375,000	4	Montgomery
165	Secure Technologies, LLC	MSBDFA Guaranty Fund	\$43,200	\$30,240		\$50,000	2	Charles
166	L&G Exclusive Cleaning Service	MSBDFA Surety Bond Direct	\$400,000				22	Prince George's
167	Adventure Theatre, Inc.	Non-Profit Loan	\$25,000			\$25,000		Montgomery
168	Crossroads Freedom Center, Inc	Non-Profit Loan	\$20,000			\$20,000		Frederick
169	Pigtown Main Street, Inc.	Non-Profit Loan	\$19,760			\$19,760		Baltimore City
170	Amazon.com.dedc LLC	One Maryland Tax Credit			\$5,500,000	\$5,500,000	25	Baltimore City
171	Beitzel Corporation	One Maryland Tax Credit			\$5,500,000	\$5,500,000	29	Garrett
172	Crystal Steel Fabricators, Inc.	One Maryland Tax Credit			\$4,511,499	\$4,511,499	58	Caroline
173	Fresh Ideation Food Groups, LLC	One Maryland Tax Credit			\$1,144,474	\$1,144,474	29	Baltimore City
174	Millsource, Inc.	One Maryland Tax Credit			\$791,058	\$791,058	33	Baltimore City
	Sealy Mattress Manufacturing Company, LLC	One Maryland Tax Credit			\$5,500,000	\$5,500,000	64	Washington
176	Aerospace & Technology Metalwo	Partnership for Workforce Quality	\$8,343			\$16,685	10	Baltimore
177	Applied Biomimetic, Inc.	Partnership for Workforce Quality	\$21,000			\$42,000	15	Montgomery

Appendix A: FY 2018 Commerce Finance Tracker Incentives Report

	Recipient	Program	Approved Loan Amount	Loan Guarantee Amount	Tax Credit Amount	Project Costs	Total Jobs	Primary County
178	Atlantech Online, Inc.	Partnership for Workforce Quality	\$15,277			\$16,675	11	Montgomery
179	Bikle Manufacturing, Inc.	Partnership for Workforce Quality	\$3,000			\$6,000		Washington
180	BTE Technologies, Inc.	Partnership for Workforce Quality	\$78,000			\$156,000	45	Anne Arundel
181	Conveyor Handling Company, Inc	Partnership for Workforce Quality	\$10,943			\$21,855	45	Howard
182	CreaFill Fiber Corp	Partnership for Workforce Quality	\$17,500			\$35,000	34	Kent
183	Danko Arlington, Inc.	Partnership for Workforce Quality	\$8,000			\$16,000	61	Baltimore City
184	Dunlop Protective Footwear USA	Partnership for Workforce Quality	\$100,000			\$200,000		Montgomery
185	Eight O'Clock Coffee	Partnership for Workforce Quality	\$10,550			\$21,100	15	Prince George's
186	Ellicott Dredges, LLC	Partnership for Workforce Quality	\$21,399			\$42,797	112	Baltimore City
187	Emmes Corporation	Partnership for Workforce Quality	\$40,435			\$80,870	15	Montgomery
188	Gamse Lithographing Co.	Partnership for Workforce Quality	\$9,850			\$19,700	144	Baltimore
189	Heritage Printing & Graphics,	Partnership for Workforce Quality	\$16,995			\$33,990	12	Charles
190	Jamison Door Company	Partnership for Workforce Quality	\$9,768			\$19,535	20	Washington
191	Marine Venture Enterprises, In	Partnership for Workforce Quality	\$22,500			\$45,000	40	Baltimore
192	Marlin Steel Wire Products, LL	Partnership for Workforce Quality	\$25,753			\$51,506	16	Baltimore City
193	Micropore, Inc.	Partnership for Workforce Quality	\$6,500			\$13,000	10	Howard
194	Miltec Corporation	Partnership for Workforce Quality	\$11,271			\$20,511	32	Queen Anne's

Appendix A: FY 2018 Commerce Finance Tracker Incentives Report

	Recipient	Program	Approved Loan Amount	Loan Guarantee Amount	Tax Credit Amount	Project Costs	Total Jobs	Primary County
195	Nestle Dreyer's Ice Cream Comp	Partnership for Workforce Quality	\$46,957			\$93,914	20	Howard
196	Plasticoid Co., Inc.	Partnership for Workforce Quality	\$18,000			\$36,000	53	Cecil
197	Platform Systems, Inc.	Partnership for Workforce Quality	\$39,894			\$79,787	19	St. Mary's
198	Protenergy Natural Foods, Inc.	Partnership for Workforce Quality	\$30,697			\$61,394	10	Dorchester
199	Saylite LLC dba Mobern Lightin	Partnership for Workforce Quality	\$14,000			\$28,000	8	Howard
200	Supernus Pharmaceuticals, Inc.	Partnership for Workforce Quality	\$44,733			\$15,189	8	Montgomery
201	TDR Systems, Inc. and Chutes I	Partnership for Workforce Quality	\$10,275			\$20,550	10	Charles
202	The Strouse Corporation	Partnership for Workforce Quality	\$14,470			\$28,940	25	Carroll
203	The Whalen Company	Partnership for Workforce Quality	\$18,480			\$36,960	142	Talbot
204	Tulkoff Food Products	Partnership for Workforce Quality	\$13,579			\$10,970	8	Baltimore City
205	Vision Technologies, Inc.	Partnership for Workforce Quality	\$60,226			\$120,452	35	Anne Arundel
206	Marriott International, Inc.	Sunny Day Cond. Loan	\$5,000,000			\$500,000,000	3,250	Montgomery
207	About Computing and Consulting, LLC	VLT/AAEDC	\$50,000				7	Anne Arundel
208	Blackwall Barn, LLC	VLT/AAEDC	\$400,000			\$5,681,000	120	Anne Arundel
209	Center for Cyber Security, LLC	VLT/AAEDC	\$50,000				2	Anne Arundel
210	Foreman Pro Cleaning, LLC	VLT/AAEDC	\$35,000				6	Anne Arundel
211	Gluten Free Bakery Girl	VLT/AAEDC	\$50,000				4	Talbot
212	Interworld Cleaning and Construction	VLT/AAEDC	\$333,000			\$95,000	5	Anne Arundel
213	Odonton Building, LLC	VLT/AAEDC	\$395,000			\$427,000	2	Anne Arundel
214	Polymath Place, LLC	VLT/AAEDC	\$50,000			\$13,375	5	Anne Arundel
215	SBH Enterprises	VLT/AAEDC	\$70,000			\$5,800	10	Anne Arundel

Appendix A: FY 2018 Commerce Finance Tracker Incentives Report

	Recipient	Program	Approved Loan Amount	Loan Guarantee Amount	Tax Credit Amount	Project Costs	Total Jobs	Primary County
216	Scoop-N-Dipity, LLC	VLT/AAEDC	\$150,000			\$20,000	15	Anne Arundel
217	Shape Your Body Fitness	VLT/AAEDC	\$50,000			\$10,000	1	Anne Arundel
218	Tribe Cycle Studio	VLT/AAEDC	\$350,000			\$211,050	10	Anne Arundel
219	Village Green Primary Care, LLC	VLT/AAEDC	\$50,000			\$142,000	5	Anne Arundel
220	Caitec Corporation	VLT/BaltCounty	\$250,000			\$4,400,000	17	Baltimore
221	Cloudwalker Properties, LLC	VLT/BaltCounty	\$75,000			\$164,000	6	Harford
222	Communication Appitude	VLT/BaltCounty	\$100,000				4	Baltimore
223	Grip Boost, LLC	VLT/BaltCounty	\$100,000				2	Baltimore
224	Mobtown Fermentation	VLT/BaltCounty	\$100,000				5	Baltimore
225	Summit Insulation	VLT/BaltCounty	\$90,000			\$215,000	10	Baltimore
226	Weber & Messick Pa	VLT/BaltCounty	\$250,000			\$1,380,000	40	Baltimore
	Bhagvaprabhat, Inc. d/b/a Himilayan							
227	House	VLT/BDC	\$256,000			\$320,000	6	Baltimore City
228	Charm City Concierge	VLT/BDC	\$100,000			\$100,000	80	Baltimore City
229	Larder Baltimore, LLC	VLT/BDC	\$50,000			\$74,836	5	Baltimore City
230	Saval Foodservice	VLT/BDC	\$125,000			\$1,900,000	288	Howard
231	The Art House, LLC	VLT/BDC	\$96,000			\$96,000	16	Baltimore City
232	Algits Incorporated	VLT/Howard	\$250,000			\$950,000	8	Howard
	Bennet Communications Columbia							
233	LLC	VLT/Howard	\$250,000			\$70,000	14	Howard
234	Dementia Care Management	VLT/Howard	\$200,000				6	Howard
235	NB3 Packaging Corporation	VLT/Howard	\$50,000			\$35,000	4	Howard
236	Ruth N Agwuna MD PC	VLT/Howard	\$75,000				4	Howard
237	TeamWorx Security LLC	VLT/Howard	\$141,650				13	Howard
238	The Children's Spot	VLT/Howard	\$30,000				11	Howard
239	The S.P.A.R.K.S. Group LLC	VLT/Howard	\$250,000				116	Prince George's
240	Anchor Electric	VLT/MCE	\$50,000				2	Worcester
241	Assateague Life, LLC	VLT/MCE	\$100,000				11	Worcester
242	Barlyn LLC	VLT/MCE	\$150,000				19	Talbot
243	C Ayers Transportation	VLT/MCE	\$105,000				1	Worcester
244	Carvin's Maryland, LLC	VLT/MCE	\$50,000				5	Baltimore City
245	Chesapeake Fresh LLC	VLT/MCE	\$125,000				6	Somerset
246	D Bramble Eateries, LLC	VLT/MCE	\$5,000				10	Dorchester

Appendix A: FY 2018 Commerce Finance Tracker Incentives Report

	Recipient	Program	Approved Loan Amount	Loan Guarantee Amount	Tax Credit Amount	Project Costs	Total Jobs	Primary County
247	Fast Fish Designs	VLT/MCE	\$60,000				2	Wicomico
248	Grillin's Market	VLT/MCE	\$5,000				4	Somerset
249	Hillee Transportation	VLT/MCE	\$50,000				2	Baltimore
250	iValue LED Light	VLT/MCE	\$35,000				3	Dorchester
251	Jennifers Maid Service	VLT/MCE	\$5,000				1	Somerset
252	Just Cause Strategy Consultants, LLC	VLT/MCE	\$140,000				3	Kent
253	M.A.T. Delivery, Inc	VLT/MCE	\$100,000				7	Wicomico
254	Marshall's Marine	VLT/MCE	\$50,000				3	Somerset
255	Mid Atlantic Transportation	VLT/MCE	\$115,000				5	Wicomico
256	Plak That	VLT/MCE	\$40,000				5	Worcester
257	QTVB, LLC dba Spirits of Patriots	VLT/MCE	\$30,000				8	Somerset
258	Sneak Heat	VLT/MCE	\$5,000				1	Dorchester
259	Stella's Carry All Tray, LLC	VLT/MCE	\$3,000				2	Dorchester
260	Textures, LLC	VLT/MCE	\$26,000				1	Anne Arundel
261	The Rusty Rooster Antique Mall	VLT/MCE	\$50,000				3	Somerset
262	Woman to Woman Naturals	VLT/MCE	\$20,000					Baltimore
263	C&M Construction and renovations, LLC	VLT/MMG	\$50,000				11	Allegany
264	Calmi Electrical Company, Inc.	VLT/MMG	\$225,000				3	Baltimore City
265	Estime Enterprises, Inc.	VLT/MMG	\$270,000				19	Prince George's
266	Eventions LLC, dba Eventions Event Planning and Designs	VLT/MMG	\$50,000				2	Baltimore
267	Flight Fab Inc.	VLT/MMG	\$400,000				10	Baltimore
268	Food Opportunities, LLC, dba Baked in Baltimore	VLT/MMG	\$68,000					Prince George's
269	Midas Rx Pharmacy, LLC/ Fokos Group, LLC	VLT/MMG	\$141,000					Howard
270	Mrs. Rodgers Neighborhood Learning Center, LLC	VLT/MMG	\$150,000				11	Baltimore
271	PHENOMENAL LLC	VLT/MMG	\$35,000				15	Baltimore
272	The Stone Foundation, LLC	VLT/MMG	\$50,000				11	Baltimore
273	Unique Ironworks & Development, LLC	VLT/MMG	\$300,000				18	Prince George's

Appendix A: FY 2018 Commerce Finance Tracker Incentives Report

	Recipient	Program	Approved Loan Amount	Loan Guarantee Amount	Tax Credit Amount	Project Costs	Total Jobs	Primary County
274	Widener-Burrows & Assoc Inc	VLT/MMG	\$170,575				120	Anne Arundel
	Food Opportunities, LLC, dba Baked in Baltimore	VLT/T/A Fsc First	\$125,000			\$755,000	28	Prince George's
275		VLT/T/A Fsc First	\$50,000			\$37,000	6	Howard
276	MSaddee, Inc.	VLT/T/A Fsc First	\$250,000			\$50,000	51	Calvert
277	Royalle Dining Services	VLT/T/A Fsc First	\$30,000					Baltimore
278	SANDY BOTTOM ENTERPRISES, LLC	VLT/T/A Fsc First						
	65 Baltimore Street, LLC (Manhattan Social)	VLT/Western MD	\$300,000			\$178,450	17	Allegany
279		VLT/Western MD	\$250,000				10	Washington
280	Bikle Manufacturing, Inc.	VLT/Western MD	\$40,000				7	Allegany
281	Clatter, LLC	VLT/Western MD	\$162,000			\$173,000	21	Allegany
282	Dotson's Contracting, LLC	VLT/Western MD	\$80,000			\$55,300	5	Allegany
283	HRB Ventures, LLC	VLT/Western MD	\$245,000			\$1,122,000	14	Montgomery
284	True Respite Brewing Company	VLT/Western MD						

Appendix B: Biotechnology Investment Incentive Tax Credits Certified in FY 2018

	QMBC	QMBC County	APROVED FINAL TAX CREDIT CERTIFICATES (\$)
1	20/20 Genesystems Inc.	Montgomery	173,050
2	Akonni Biosystems, Inc.	Frederick	700,000
3	American Gene Technologies International Inc.	Montgomery	1,185,500
4	BioFactura, Inc.	Frederick	137,500
5	Breethe, Inc.	Baltimore City	637,497
6	Cartesian Therapeutics, Inc.	Montgomery	1,133,081
7	Cellphire, Inc.	Montgomery	1,675,000
8	CoapTech LLC	Baltimore City	375,000
9	ConverGene LLC	Dorchester	642,000
10	CoolTech LLC	Baltimore City	95,413
11	Creatv MicroTech, Inc.	Montgomery	387,500
12	DxNow, Inc.	Montgomery	125,000
13	Fzata, Inc.	Baltimore City	250,000
14	gel-e, Inc.	Prince George's	488,275
15	Ibex Biosciences, LLC	Allegany	1,323,750
16	IES Life Sciences, Inc.	Dorchester	75,000
17	Longeviti Neuro Solutions, LLC	Baltimore	900,000
18	Multisensor Diagnostics, LLC	Baltimore	72,500
19	NexImmune Inc.	Montgomery	782,418
20	Otraces Inc.	Carroll	12,500
21	Promaxo, Inc.	Montgomery	75,000
22	Sequella, Inc.	Montgomery	319,683
23	Sonavex, Inc.	Baltimore City	147,500
24	Vasoptic Medical Inc.	Baltimore City	125,000
25	ViaTherm Therapeutics, LLC	Anne Arundel	125,000
26	Vixiar Medical, Inc.	Anne Arundel	265,000
27	Xcision Medical Systems, LLC	Howard	151,263
	Total		\$12,379,430

Appendix C: Research and Development Tax Credits, R&D Tax Credits Certified in FY 2018

	Company Name	Certified Basic Credit Amount	Certified Growth Credit Amount	Total Certified Credit Amount
1	5AM Solutions, Inc.	0	2,191	2,191
2	AAI Corporation	68,418	0	68,418
3	AC Distributing, Inc.	0	3,190	3,190
4	Acer Exhibits & Events, LLC	11,906	0	11,906
5	Advanced Biotechnologies, Inc.	692	362	1,054
6	Advanced Technology & Research Corporation	597	1,359	1,956
7	Allan Myers, Inc.	5,650	0	5,650
8	Allied Environmental Services, Inc	5,003	1,628	6,631
9	American Woodmark Corporation	255	0	255
10	Amero Foods Manufacturing Corporation	2,515	0	2,515
11	Amgen, Inc.	34,340	0	34,340
12	Amick Farms LLC	5,887	4,234	10,121
13	Angelena G. Lienert & Daniel M. Lienart	772	3,484	4,256
14	ARCELLX, INC. F/K/A ENCARTA THERAPEUTICS, INC.	3,577	6,537	10,114
15	AstraZeneca Pharmaceuticals, LP	69,833	2,091,282	2,161,115
16	Athena Environmental Sciences, Inc.	180	101	280
17	Automated Precision Inc.	9,645	3,931	13,576
18	Availink (US), Inc.	8,122	0	8,122
19	Avon Protection Systems, Inc.	2,282	0	2,282
20	Axom Technologies, Inc.	13,226	41,677	54,903
21	basys, Inc.	6,907	0	6,907
22	Beatty Harvey Coco Architechts, LLP	2,730	3,131	5,862
23	Becton, Dickinson and Company	227,683	0	227,683
24	Bentley Systems, Incorporated	3,288	0	3,288
25	Berry Global Group, Inc. FNA Berry Plastics Group, Inc.	10,635	0	10,635
26	Big Huge Games, Inc.	1,393	1,434	2,828
27	Big Huge Games, Inc.	4,808	13,853	18,661
28	Boland Trane Services, Inc.	7,270	0	7,270
29	BTE Technologies, Inc.	3,322	1,652	4,974
30	Burdette, Koehler Murphy & Associates, Inc.	10,665	3,701	14,366
31	Cadmium CD LLC	3,355	1,603	4,958
32	Canam Steel Corporation	24,378	0	24,378
33	Castle Communications, Inc.	2,116	0	2,116
34	Cellular Biomedicine Group, Inc.	164	7,090	7,254
35	Cerecor, Inc.	8,523	0	8,523
36	Cetrom Information Technology, Inc.	2,264	4,095	6,359
37	CheckFree Services Corporation	7,863	0	7,863
38	Chesapeake Contracting Group, Inc.	6,165	24,193	30,357
39	Cisco Systems, Inc	131,955	103,125	235,080
40	Clean Earth, Inc.	321	3,321	3,642
41	Clearedge IT Solutions, LLC	33,657	47,727	81,384
42	Clearshark, LLC	2,509	4,672	7,181
43	Clene Nanomedicine, Inc.	12,436	0	12,436
44	Cobham Holdings (US), Inc.	2,613	0	2,613
45	Colonial Metals, Inc.	17,500	3,485	20,985
46	Columbia Manufacturing Corporation	1,442	961	2,403

Appendix C: Research and Development Tax Credits, R&D Tax Credits Certified in FY 2018

	Company Name	Certified Basic Credit Amount	Certified Growth Credit Amount	Total Certified Credit Amount
47	Communication Partners International LLC	3,139	0	3,139
48	Connections Education, Inc.	15,808	46,731	62,539
49	Consortium Health Plans, Inc.	3,312	2,090	5,402
50	Conveyor & Automation Technologies, Inc.	6,823	7,355	14,178
51	Corbin Clinical Resources, LLC	69	1,260	1,329
52	Cristal USA, Inc.	41,829	0	41,829
53	Cytec Engineered Materials, Inc.	10,627	0	10,627
54	DATAKWIP, Inc	0	396	396
55	Decision Software, Inc.	4,950	711	5,661
56	Descartes US Holdings, Inc. (DBA Descartes Systems (USA) LLC	609	1,562	2,172
57	Design Prowess, LLC	0	2,723	2,723
58	DfR Solutions, LLC	1,031	1,546	2,577
59	Diagnostic AnSERS, Inc.	32	161	192
60	Digital Receiver Technology, Inc.	29,400	0	29,400
61	Discovery Communications Holdings, LLC	33,859	32,730	66,589
62	Dixie Construction Company, Inc.	4,556	2,960	7,516
63	DLHBowles, Inc. (FKA DLH Industries, Inc.)	11,650	0	11,650
64	DSM Pharmaceuticals, Inc.	25,963	0	25,963
65	DVCC, Inc. and Subsidiaries	5,458	4,517	9,975
66	Earth Networks, Inc. & Subsidiaries	11,062	9,996	21,057
67	Eastcor Engineering, LLC	298	1,820	2,118
68	Eastman Specialties Corporation	7,117	12,820	19,936
69	EBA Ernest Bland Associates, PC	1,521	665	2,186
70	Ebay, Inc.	103	0	103
71	Ecotone, Inc.	3,454	9,344	12,798
72	Ecrion Software, Inc.	2,042	384	2,426
73	EDCLUB, Inc.	2,467	1,947	4,413
74	Eli Lilly and Company	57,491	68,329	125,820
75	Emergent Biosolutions Inc. and Subsidiaries	71,673	14,682	86,355
76	Energy Concepts Company, LLC	2,740	0	2,740
77	Eniware, LLC	0	3,060	3,060
78	Ennis Electric Company, Inc.	1,340	1,275	2,615
79	Eurotech, Inc.	3,761	0	3,761
80	Evapco, Inc.	42,278	16,198	58,476
81	FD Neurotechnologies Consulting and Service, Inc.	1,807	23	1,830
82	FedCentric Technologies, LLC	567	11,364	11,931
83	FEI.COM, Inc.	25,103	25,488	50,592
84	Fidelis Cybersecurity, Inc.	15,196	12,713	27,910
85	Fil-Tec, Inc.	2,038	0	2,038
86	Fina Biosolutions, LLC	1,187	185	1,372
87	Flowrox, Inc. (FKA Larox Flowsys, Inc.)	2,049	892	2,941
88	Flowserve US Inc.	306	3,189	3,495
89	FR Conversions, Inc.	944	2,493	3,437
90	Friendship Dental Laboratories, Inc.	3,588	801	4,389
91	Fugue Inc	1,531	11,464	12,996
92	G2, Inc	1,893	0	1,893

Appendix C: Research and Development Tax Credits, R&D Tax Credits Certified in FY 2018

	Company Name	Certified Basic Credit Amount	Certified Growth Credit Amount	Total Certified Credit Amount
93	Gable Signs & Graphics, Inc.	4,678	3,452	8,131
94	General Dynamics Mission Systems, Inc.	4,038	0	4,038
95	Gliknik Inc.	6,363	6,788	13,151
96	Gold Crust Baking Company, Inc.	6,084	12,355	18,439
97	Gray & Son, Inc.	8,504	1,299	9,803
98	Grier Forensics, LLC	533	895	1,429
99	Grunley Construction Company, Inc.	3,052	3,247	6,299
100	GTM Architects, Incorporated	6,810	1,153	7,962
101	Hargrove Acquisition, Inc.	17,363	10,399	27,763
102	Herrick Technology Laboratories, Inc	6,413	13,610	20,023
103	Highrise Consulting, Inc.	19,051	11,868	30,919
104	Honeywell International, Inc. and Subs.	763	1,901	2,664
105	Hughes Network Systems, LLC	336,319	272,179	608,498
106	IHI Kiewit Cove Point, A Joint Venture	445	0	445
107	Immunomic Therapeutics, Inc.	3,825	21,623	25,449
108	Incyte Corporation	3,651	6,469	10,120
109	Independent Security Evaluators, LLC	1,024	3,822	4,846
110	InfoZen, LLC	4,347	971	5,318
111	Innovative Technologies Group & CO.	445	0	445
112	Inovalon, Inc.	26,987	11,814	38,801
113	Integral Consulting Services, Inc.	162	303	464
114	Intelligent Automation, Inc.	21,211	0	21,211
115	Intelligent Devices, Inc.	1,779	823	2,602
116	International Business Machines Corporation	19,054	2,715	21,769
117	Internet Testing Systems, LLC	10,268	0	10,268
118	Interstate Resources, Inc.	19,174	54,392	73,566
119	J.F. Taylor, Inc.	17,628	46,476	64,104
120	JASINT Consulting and Technologies, LLC	0	1,648	1,648
121	Javelina Software, LLC	1,239	0	1,239
122	JDA Software, Inc.	13,532	2,048	15,581
123	JLG Industries, Inc.	40,738	0	40,738
124	Johnson Controls, Inc.	4,891	16,295	21,186
125	Kaydon Ring & Seal, Inc.	2,110	1,556	3,666
126	The KEYW Holding Corporation, Inc. & Subsidiaries	12,071	0	12,071
127	Kinsley Construction, Inc. & Related Entities	6,149	8,338	14,487
128	Kirlin Industries, LLC	17,470	0	17,470
129	Kratos Technology & Training Solutions, Inc.	11,141	9,048	20,189
130	L3 Technologies, Inc.	3,720	0	3,720
131	Leadiant Biosciences, Inc.	11,968	2,333	14,302
132	Leidos, Inc.	41,461	6,987	48,448
133	Life Technologies Corporation	43,529	0	43,529
134	Localist Corporation	1,264	1,132	2,396
135	Lockheed Martin Corporation	75,453	0	75,453
136	Lurn, Inc.	586	74	660
137	Mack Trucks, Inc.	124,278	0	124,278
138	MacroGenics, Inc.	166,887	457,818	624,705

Appendix C: Research and Development Tax Credits, R&D Tax Credits Certified in FY 2018

	Company Name	Certified Basic Credit Amount	Certified Growth Credit Amount	Total Certified Credit Amount
139	Marriott International, Inc.	97,974	309,299	407,273
140	Mars Incorporated	10,033	11,065	21,098
141	Marvell Semiconductor, Inc.	1,145	0	1,145
142	Maryland Paving, Inc.	3,026	0	3,026
143	Matthew Warren, Inc	3,644	0	3,644
144	McCormick & Company, Inc.	201,140	334,444	535,584
145	MCW Solutions, LLC	1,540	0	1,540
146	MDA Information Systems LLC	225	0	225
147	Meso Scale Diagnostics, LLC	58,040	89,110	147,150
148	Metropolitan Regional Information Systems, Inc.	5,857	11,898	17,755
149	Miltec Corporation	3,793	5,961	9,753
150	Mindgrub Technologies LLC	1,347	0	1,347
151	Morningstar PV Controllers Corp. AKA Morningstar Corporation	2,273	285	2,558
152	National Jet Company, Inc.	3,300	2,256	5,556
153	Ncyber, LLC	919	6,125	7,044
154	NEOIMMUNETECH, INC	948	5,000	5,947
155	Net Vision Consultants, Inc	4,963	21,525	26,488
156	Netorian Limited Liability Company	426	0	426
157	New Wave Telecom and Technologies, Inc.	1,171	5,495	6,666
158	Next Day Blinds Corporation	134	6,991	7,125
159	NextCure Inc.	0	14,853	14,853
160	Northrop Grumman Systems Corporation	865,882	421,752	1,287,633
161	Novartis Pharmaceuticals Corporation	7,280	14,226	21,507
162	Novo Nordisk Inc.	5,772	3,313	9,085
163	Noxell Corporation	28,047	10,791	38,838
164	Nutramax Laboratories, Inc.	3,508	0	3,508
165	Nutramax Manufacturing, Inc	1,240	306	1,546
166	Nuvasive Inc.	708	3,181	3,889
167	Orbit Logic Incorporated	93	0	93
168	Origin Wireless, Inc.	1,543	2,065	3,608
169	Oshkosh Corporation	539	1,689	2,228
170	Osiris Therapeutics, Inc.	12,295	0	12,295
171	Otsuka America, Inc. & Subsidiaries	68,671	0	68,671
172	Paramount Die Company, Inc.	5,672	4,697	10,369
173	Patton Electronics Company	6,475	0	6,475
174	PayPal Holdings, Inc. & Subsidiaries	61,223	82,713	143,936
175	Pennoni Associates, Inc.	1,188	0	1,188
176	Peregrin Services Corp.	206	0	206
177	Peter Kiewit Sons, Inc.	641	922	1,563
178	Pfizer Inc. & Subsidiaries	92,193	0	92,193
179	Pharmaceutics International, Inc.	16,249	0	16,249
180	Pharmaceutics International, Inc.	4,535	0	4,535
181	Pinnacle Foods, Inc. and Subsidiaries	0	7,808	7,808
182	Pitney Bowes Software, Inc.	8,104	984	9,088
183	Plant Vax, Inc.	2,488	105	2,593
184	PowerTrain, Inc.	7,723	1,624	9,348
185	Pritchard Brown, LLC	4,190	2,550	6,740

Appendix C: Research and Development Tax Credits, R&D Tax Credits Certified in FY 2018

	Company Name	Certified Basic Credit Amount	Certified Growth Credit Amount	Total Certified Credit Amount
186	Pritchett Controls Inc	10,083	4,222	14,305
187	Profectus Biosciences, Inc	7,087	3,690	10,777
188	Progeny Systems Corporation	732	0	732
189	Prometric Biotherapeutics, Inc.	13,569	28,659	42,229
190	Prometric Inc	9,759	12,173	21,932
191	Qiagen North American Holdings, Inc.	52,631	0	52,631
192	Quintiles, Inc.	2,327	3,793	6,121
193	Quotient, Inc.	4,480	10,263	14,743
194	R&R Mechanical Contractors, Inc.	5,564	4,663	10,227
195	Random Stimulus, LLC	209	2,475	2,684
196	Ray Enterprises of Chesapeake Walk, Inc.	6,336	13,626	19,962
197	Raytheon Company	23,798	60,948	84,747
198	Regal Beloit America Inc.	3,494	5	3,499
199	Restorative Therapies, Inc.	2,261	4,211	6,472
200	RightEye, LLC	1,336	3,958	5,294
201	Riverbed Technology, Inc.	23,382	0	23,382
202	Roadnet Technologies, Inc.	15,681	0	15,681
203	Rockwell Collins, Inc.	66,919	0	66,919
204	RPM International, Inc.	10,066	6,147	16,213
205	Ryft Systems, Inc.	8,033	9,695	17,727
206	Saft America Inc.	28,277	34,176	62,453
207	Savantage Solutions, Inc.	8,706	0	8,706
208	Science Applications International Corporation	13,220	0	13,220
209	Segami Corporation	4,978	1,232	6,211
210	Seraxis, Inc.	1,489	569	2,058
211	Shah & Associates, Inc.	4,391	9,523	13,914
212	Shapiro & Duncan, Inc.	14,844	9,597	24,440
213	Shimadzu Scientific Instruments, Inc.	1,085	8,549	9,635
214	Sierra Nevada Corporation	11,390	0	11,390
215	Singleton Electric Co., Inc.	14,892	8,843	23,735
216	Smart Imaging Systems, Inc.	572	2,833	3,405
217	SmartLogic, LLC	0	471	471
218	Social Toaster, Inc.	1,804	2,027	3,831
219	Sol Vista, LLC	374	1,001	1,375
220	Soltesz, Inc.	4,494	12,298	16,792
221	Spirent Communications, Inc.	20,498	17,866	38,364
222	Stanley Black and Decker, Inc.	154,583	99,977	254,560
223	Stardog Union	0	1,557	1,557
224	Steel Point Solutions LLC	0	837	837
225	Stewart & Tate, Inc.	4,025	2,471	6,495
226	Stulz Air Technology Systems, Inc.	2,714	0	2,714
227	Supernus Pharmaceuticals, Inc.	38,025	0	38,025
228	Symantec Corporation	8,424	8,319	16,742
229	Synaptic Advisory Partners LLC	2,384	6,444	8,828
230	Tactical Network Solutions, LLC	742	1,193	1,935
231	TAI Specialty Construction, Inc.	1,145	1,874	3,019
232	Tecore, Inc.	10,963	4,948	15,912
233	Tenable Network Security, Inc.	19,948	21,447	41,395

Appendix C: Research and Development Tax Credits, R&D Tax Credits Certified in FY 2018

	Company Name	Certified Basic Credit Amount	Certified Growth Credit Amount	Total Certified Credit Amount
234	Tetracore, Inc.	5,853	336	6,189
235	The Traffic Group, Inc.	10,537	2,522	13,059
236	TIC Gums, Inc.	10,659	8,850	19,509
237	Tilley Chemical Company, Inc	2,129	852	2,981
238	Top Down Systems Corporation	4,356	0	4,356
239	Tourgee & Associates, Inc.	7,389	1,061	8,450
240	Transformational Security, LLC	4,921	13,044	17,965
241	Travel Lite, Co	353	0	353
242	Ultra Electronics USA Group, Inc. & Subsidiaries	2,871	0	2,871
243	Under Armour, Inc.	95,593	84,640	180,234
244	United Parcel Service General Services Co.	132,814	102,978	235,792
245	United Therapeutics Corporation & Subs.	44,767	30,075	74,842
246	US NewWin Inc.	665	0	665
247	USALCO, LLC	18,577	0	18,577
248	Valpac, Inc.	1,137	472	1,609
249	Value Asset Leasing, Inc. dba iHire, LLC	6,815	1,893	8,707
250	Vector Topco, Inc. & Subsidiaries	1,650	0	1,650
251	Vectorworks, Inc.	30,626	21,797	52,423
252	ViaSat, Inc.	5,381	0	5,381
253	Vigilant Medical, Inc.	482	0	482
254	Vizuri Health Sciences, LLC	1,237	6,177	7,414
255	Vorbeck Materials Corp	3,762	1,123	4,885
256	W. L. Gore & Associates, Inc.	222,233	272,527	494,761
257	Wallace, Montgomery and Associates, LLP	6,964	9,082	16,046
258	WB Engineering & Consulting, PLLC	1,868	9,482	11,350
259	Webmchanix, LLC	1,181	2,693	3,874
260	Webs, Inc.	17,357	1,215	18,572
261	Wilmot/Sanz Incorporated	14,141	20,339	34,480
262	The Wilson T. Ballard Company	10,429	16,281	26,710
263	WSC, Inc.	4,756	3,641	8,396
264	Xcision Medical Systems, LLC	7,008	4,976	11,985
265	Zenimax Media, Inc	196,096	359,759	555,855
266	Zephyr Aluminum, LLC	3,165	6,247	9,411
267	Ziger/Snead, LLP	0	2,220	2,220
268	Zip Designs, LLC	2,152	12,375	14,527
Total		\$5,500,000	\$6,500,000	\$12,000,000

Appendix D: Maryland Employer Security Clearance Costs Tax Credits Certified in FY2018

	Business Name	Certified Credit
1	ABM Government Services, LLC	20,019
2	Acquired Data Solutions, Inc.	1,449
3	Advanced Technology & Research Corporation	24,566
4	Anthem Engineering, LLC	8,246
5	Asymmetrik, Ltd.	44,357
6	A-Team Solutions, LLC	9,077
7	ATI, Inc.	4,015
8	Aviation Systems Engineering Co., Inc.	57,653
9	Battlefield Telecommunication Systems, LLC	22,016
10	Booz Allen Hamilton, Inc.	119,197
11	BTC, LLC	110,037
12	C.K. Signals, Inc.	9,423
13	CACI Technologies, Inc.	13,295
14	Chiron Holdings, Inc.	46,658
15	Clear Ridge Defense, LLC	4,176
16	ClearEdge IT Solutions, LLC	63,893
17	ClearShark, LLC	11,394
18	Constellation Technologies, Inc.	13,247
19	Cyber Point International, LLC	52,917
20	Entegra Systems, Inc.	23,653
21	Exceptional Software Strategies, Inc.	2,997
22	Fuse Engineering, LLC	4,312
23	General Dynamics Information Technology, Inc.	39,295
24	General Dynamics Mission Systems, Inc.	68,830
25	Globecom Services of Maryland, LLC	20,233
26	Gray Graphics Corporation	19,863
27	Grove Resource Solutions, Inc.	10,286
28	Herrick Technology Laboratories, Inc.	38,733
29	Innoplex, LLC	29,901
30	Integral Consulting Services, Inc.	52,810
31	IZ Holdings, LLC	109,743
32	JASINT Consulting and Technologies, LLC	9,078
33	JS Global, LLC	23,690
34	KJMK Management, Inc. T/A RealStreet	13,902
35	Lingual Information System Technologies, Inc.	79,521
36	MDA Information Systems, LLC	67,108
37	Netorian LLC	23,546
38	Northrop Grumman Systems Corporation	275,093
39	Novetta, Inc.	20,256
40	Novetta, LLC	24,294
41	Oakleaf Technology Group, Inc.	7,442
42	Omnyon, LCC	21,629
43	Patriot Technologies, Inc.	2,645
44	Phoenix Operations Group, LLC	12,854
45	Project Enhancement Corporation	8,653
46	QUOTIENT, Inc.	40,787
47	Root3 Labs, Inc.	5,609
48	Sealing Technologies, Inc.	9,009
49	ShoreIT Solutions, LLC	2,939
50	SigInt Technologies, LLC	1,735
51	SixGen, LLC	5,610

	Business Name	Certified Credit
52	Staffing Alternatives, Inc. DBA SAI	28,815
53	Tactical Network Solutions, LLC	1,451
54	Tensley Consulting, Inc.	15,976
55	Tiber Technologies, Inc.	26,968
56	Transformational Security, LLC	15,010
57	VariQ Corporation	89,240
58	Visionist, Inc.	12,971
59	WGS Systems, LLC	9,261
60	Whiting-Turner Contracting Company	9,429
61	WOG LLC, d/b/a WhiteOak Group	53,024
62	Wyetech, LLC	2,949
63	Zavda Technologies, LLC	23,212
	Total Credit Amount	\$2,000,000

Appendix E: Maryland Wineries and Vineyards Tax Credits Certified in FY 2018

	Business Name	Certified Credit Amount
1	Antietam Creek Vineyards, LLC	5,872
2	Berrywine Plantations, DBA Langanore Winecellars	21,964
3	Black Ankle Vineyards, LLC	55,347
4	Boordy Vineyards, Inc.	25,473
5	Catoctin Breeze Vineyard, LLP	16,962
6	Charis Winery Inc.	2,006
7	Charm City Meadworks, LLC	28,632
8	Chateau Bu-De II, LLC	24,766
9	Chateau Bu-De, LLC	19,530
10	Chateau Lili, LLC (formerly "Mey Hills")	1,114
11	Clovelly Vineyard, LLC	4,783
12	Cook Winery Holdings, LLC	6,308
13	Cool Ridge Vineyard	13,122
14	Crow Vineyard & Winery, LLC	8,961
15	Elk Run Vineyard, Inc.	9,031
16	Heimbuch Estate Vineyards & Winery, LLC	5,402
17	Layton's Chance Vineyard & Winery, LLC	814
18	Libertas Estates, LLC	24,610
19	Links Bridge Vineyards, LLC	1,728
20	Mark Cascia Vineyards, LLC	7,157
21	Mazzaroth Vineyard, LLC	2,672
22	Native Concepts, LLC	696
23	New Market Plains, LLC	13,262
24	Noble Landing, LLC	9,539
25	Old Westminster Winery LLC T/A Old Westminster	21,525
26	Robert B Thompson	1,853
27	Robin Hill Farm and Vineyards, LLC	35,511
28	Roche & Smith Vineyard, LLC	2,784
29	Rocklands Farm, LLC	10,011
30	Rohrersville Vineyards, LLC	25,876
31	Schmidt Farm	11,453
32	Six Wicket Vineyards, LLC	1,845
33	Southern Maryland Wine Growers Cooperative	2,399
34	St. Michaels Winery, LLD	1,421
35	Stonemur, LLC	182
36	The Vineyards at Dodon, LLC	14,889
37	Townshend Vogt Farm, LLC	7,230
38	Willow Oaks, LLC	3,068
	Total Credit Amount	\$449,797

Appendix F: Recipients of Multiple Incentives FY 2018

	Recipient	Programs
1	A-Connection	MSBDFA EPIP (2)
2	Advanced Technology & Research Corporation	ESCC, R&D
3	Algits Incorporated	MSBDFA, VLT/Howard
4	Amazon.com.dedc LLC	JCTC, MEDAAF, OneMD
5	Beitzel Corporation	JCTC (2), OneMD
6	Bikle Manufacturing, Inc.	PWQ, VLT/Western MD
7	BioFactura, Inc.	BIITC, MEDAAF
8	BTE Technologies, Inc.	PWQ, R&D
9	Chappelle Group, LLC	MSBDFA (2)
10	ClearEdge IT Solutions, LLC	ESCC, R&D
11	ClearShark, LLC	ESCC, R&D
12	Crystal Steel Fabricators, Inc.	JCTC, OneMD
13	Estime Enterprises, Inc.	MSBDFA, VLT/MMG (4)
14	Evapco, Inc.	MEDAAF, R&D
15	Flight Fab Inc.	MSBDFA, VLT
16	Food Opportunities, LLC, dba Baked in Baltimore	MSBDFA, VLT/MMG (2), VLT/FSC
17	General Dynamics Mission Systems, Inc.	ESCC, R&D
18	Herrick Technology Laboratories, Inc.	ESCC, R&D
19	Integral Consulting Services, Inc.	ESCC, R&D
20	JASINT Consulting and Technologies, LLC	ESCC, R&D
21	L&G Exclusive Cleaning Service	MSBDFA EPIP, MSBDFA Surety Bond
22	Marriott International, Inc.	MEDAAF, R&D, Sunny Day
23	McCormick & Company, Inc.	MEDAAF, R&D
24	MDA Information Systems LLC	ESCC, R&D
25	Midas Rx Pharmacy, LLC/ Fokos Group, LLC	MSBDFA, VLT/MMG (2)
26	Miltec Corporation	PWQ, R&D
27	Netorian LLC	ESCC, R&D
28	Northrop Grumman Systems Corporation	ESCC, R&D, A&D
29	Quotient, Inc.	ESCC, R&D
30	Sealy Mattress Manufacturing Company, LLC	JCTC, OneMD
31	Supernus Pharmaceuticals, Inc.	PWQ, R&D
32	Tactical Network Solutions, LLC	ESCC, R&D
33	Tenable	JCTC, R&D
34	Transformational Security, LLC	ESCC, R&D
35	Vision Technologies, Inc.	JCTC, PWQ
36	WGS Systems, LLC	ESCC, ExportMD
37	Xcision Medical Systems, LLC	BIITC, R&D
38	ZeniMax Media, Inc.	JCTC (3), R&D

Appendix G: Compliance Triggers and Remedial Action

Legal Action			
Trigger	Action	Remedy	
Recipient breaches "any" covenant, representation, warranty or other provision of our Agreements	Claim a Default	Require immediate repayment, proceed to enforce all rights available to the Department: <i>Forbearance, Charge Off, Foreclose, Charge Late Fees, Increase Interest Rate, Terminate Transaction, File Judgments, Clawback, etc.</i>	
Discretionary Decisions			
Late Payments >90 Days	Escalate to Management	Management discretion to charge late fee-contact client continue billing	
Late Payments >180 Days	Escalate to Management	Charge Off, Transfer to Special Assets, Work with AG on legal remedy; Management has discretion not to Charge Off account based on case-by-case circumstances and must document via Approval Memo why not Charging Off (see legal remedies)	
Upcoming Reporting Date & <60 Days past due	Tickler/Reminder E-mails	Notifies client before something comes due, or once something is late.	
>60 Days Past Due for any reporting	Escalate Issue to Finance Specialist	Contact client to get item, waive requirement for item (in writing), continue to monitor	
Failed Employment Goals	Escalate to Finance Specialist and Management	Move forward with clawback or depending on company and economic conditions the employment goals may be modified (see legal remedies)	
Poor Annual Financial Review	Escalate to Management	Continue to monitor; possible downgrade of risk rating; transfer to Special Assets, contact client, financial institution	

Tax Credits			
Not Eligible	Applicant applies for certification of tax credit but does not meet statutory requirements	Do not certify as eligible for tax credit	The tax credits are non-discretionary. If the business does not meet the statutory requirements of the program, the Department may not certify them as eligible. For the One Maryland and Job Creation Tax Credits, the Department urges the applicant to apply for preliminary certification to identify any potential obstacles to final certification. We work with the company to identify and overcome any issues that would preclude the company from qualifying.
Non-compliance	Applicant is certified as eligible for tax credits but does not maintain the positions or investment.	Credits are recaptured; business may not use the credits during the carry forward period.	Under the Job Creation Tax Credit, the business must maintain the credits for three years or recapture some or all the credits. An independent CPA certifies at the end of the recapture period, whether any recapture is due the state. Under the One Maryland Tax Credit, if the business falls below a certain threshold of jobs, the business may not use the credit in that credit year. However, when its employment increases over the threshold, it may begin taking the credit again. The threshold was originally 25 jobs, but in recognition of the struggling economy, this was reduced to 10 jobs, if the business had maintained 25 jobs for at least five years. Under the Biotechnology Investment Incentive Tax Credit, if the investor that received a credit sells or transfers his ownership interest in the qualified Maryland Biotechnology Company (QMBC) or if the QMBC ceases to operate as an active business with its headquarters in Maryland within 2 years from the tax year they claimed the credit, they are required to recapture some or all of the credit.
In general, the tax credits are non-discretionary. If the business does not meet the statutory requirements, they will not qualify for the credits. Commerce does not have the discretion to waive the statute. However, Commerce does work with the businesses to identify issues early in the process. In addition, changes have been made to the programs through legislation that have made it easier to meet the program requirements			