



Building and Strengthening the Workforce

The GBC often hears that workforce issues are the most significant impediment to growth and success for Maryland’s employers. This year, the Maryland General Assembly addressed a number of items that affect this important issue. For Baltimore City, money was provided in a supplemental budget to help close a critical school funding gap while other legislation made changes to future school funding formulas. For Baltimore City Community College, legislation passed that restructures the Board of Trustees in an effort to improve results at the institution. A workgroup was created to study the implementation of universal access to pre-K for four year olds and legislation was passed that improves the existing P-TECH program, which provides students with an opportunity to receive a high school diploma and an associate degree while working with industry and college partners. Finally, legislation supported by the GBC passed that provides inmates post-secondary education and workforce training to help obtain careers in in-demand job sectors after incarceration.



Promoting Innovation and Entrepreneurship

The legislature in 2017 made important changes to the innovation landscape in Maryland. First, the GBC and its partners were able to secure passage of a concept hatched in the GBC Bioscience Committee. The legislation improves the Biotechnology Investment Incentive Tax Credit by encouraging technologies, like those developed in Maryland’s research universities, to have a clearer path to apply for the tax credit. This change will boost the creation of new bioscience companies and jobs in Maryland. The GBC also supported a successful effort to create a gap funding program at TEDCO (Maryland Technology Development Corporation) to provide follow-up financing to companies that have already received start-up capital. The GBC supported other successfully passed legislation that increases the annual cap for the Research and Development Tax Credit from \$9 million to \$12 million and extends the Employer Security Clearance Costs Tax Credit program through 2021.



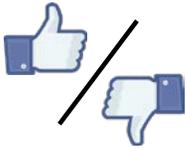
Advocating Growth-Oriented Transportation Policies

Transportation is always one of the most important issues faced by Maryland’s policymakers and this session was no different. In the 2017 legislative session, one of the major transportation initiatives includes a repeal of the farebox recovery mandate, which will decrease the hurdle to achieving a high quality transit service that better serves riders. The legislature also chose to study for two years the transportation projects scoring criteria created in 2016. Finally, the GBC successfully opposed legislation requiring at least a two-person crew for trains, which because of new technology is not necessary.



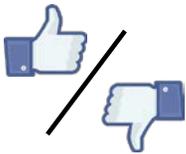
Ensuring Public Safety to Protect Business Interests and Employees

The 2017 legislative session saw an emphasis on public safety issues. The GBC was pleased that legislation seeking to roll back a Maryland Court of Appeals decision to deemphasize the use of cash bail was unsuccessful. The GBC was an active proponent of eliminating cash bail, which often keeps those without the means to pay bail in jail for long periods of time awaiting their day in court. Other legislation supported by the GBC was successfully passed, including a bill that alters the time limit for filing a complaint for excessive force with the Baltimore City Civilian Review Board from 90 days to one year. The GBC was also pleased to see new funding in a supplemental budget appropriation to update Baltimore City police technology, which significantly lags behind other major city police departments.



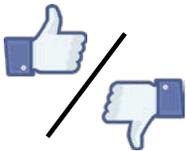
Promoting Tourism as an Economic Development Driver

The GBC believes tourism is an economic development driver and an important part of growing the economy, especially in Baltimore City. During the 2017 session, the GBC supported legislation to improve the Maryland Stadium Authority’s ability to promote sports-related tourism. Additionally, the GBC supported a bill to extend until July 1, 2022 the requirement that Baltimore City appropriate at least 40 percent of hotel room tax proceeds to Visit Baltimore for convention center marketing and tourism promotion. The GBC was disappointed, however, that there was no funding in the capital budget for a Phase II convention center expansion. This funding will be pursued during future legislative sessions.



Building a Competitive, Predictable and Fair Tax System

The GBC supports a fair and predictable tax climate. Unfortunately, there is always an array of anti-business proposals introduced every session. This year, the GBC was part of an effort to defeat bills seeking to change the corporate tax structure by instituting combined reporting and the throwback rule. Legislation to create single sales factor apportionment, supported by the GBC in concept, was not successful. The news is not all bad, however. Policymakers made a small tax cut on retirement income for first responders, which include law enforcement, fire, rescue or emergency services personnel.



Supporting a Competitive Business Climate

There were several priority issues during the 2017 legislative session affecting a competitive business climate in Maryland. A successfully passed bill, introduced by Governor Larry Hogan and supported by the GBC, provides new incentives for Maryland’s manufacturing industry. Specifically, the bill offers accelerated depreciation for purchases of capital equipment by manufactures. Perhaps the most debated issue was mandatory paid sick leave. After five years of attempts, a bill was passed that requires Maryland employers with 15 or more employees to provide sick leave. This change is estimated to affect 488,000 Maryland employees. Unsuccessful legislation sought to institute a \$15 per hour minimum statewide while another bill, supported by the GBC, sought to pre-empt localities from enacting their own wage and benefits laws.