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February 2, 2022

The Honorable Guy Guzzone
 Chair, Senate Budget and Taxation Committee
 Miller Senate Office Building, 3 West Wing
 11 Bladen Street
 Annapolis, Maryland 21401

Re: Senate Bill 391-Economic Development - More Jobs for Marylanders Program - Extension and Alterations

Dear Senator Guzzone:

Crystal Steel Fabricators, Inc., is a minority-owned business enterprise in the State of Maryland. We fabricate more than 20,000 tons of structural steel each year. We operate from five locations, including our newest and largest plant in Federalsburg, Caroline County, Maryland. On behalf of Crystal Steel, I write to express support for Senate Bill 391 – More Jobs for Marylanders Act 3.0, which extends the successful More Jobs for Marylanders program an additional five years, through 2027.

Enacted in 2017, the More Jobs for Marylanders program promotes the growth of manufacturing in Maryland by providing tax incentives to new and existing manufacturers that locate or expand in Maryland and create new manufacturing jobs. Under current statute the program will no longer accept new businesses into the program as of June 1, 2022. SB 391 will extend the program for five years through 2027.

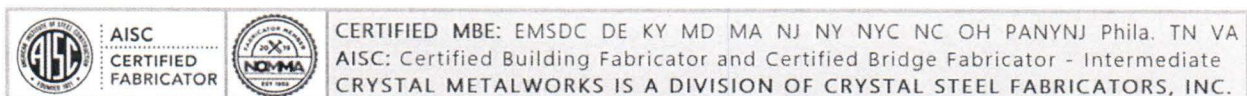
Program results

As a recent beneficiary of the More Jobs for Marylanders manufacturing tax credit program, I can attest to the results and benefits of the program. In Fiscal Year 2020, Commerce issued \$435,543 in MJM tax credits to companies that created 154 new jobs paying \$8.2 million in annual wages.

- Those jobs supported another 177 indirect and induced jobs, and together those jobs supported \$96.5 million in economic activity and \$1.1 million in state sales and income tax.
- That is already a strong return on the credit issued; if those jobs remain in place for the full ten-year eligibility period, sales and income tax revenue is estimated at \$10.9 million.

In Fiscal Year 2021, Commerce issued certificates for \$1.3 million in MJM tax credits to eighteen companies for creating 288 new Maryland jobs and retaining 42 jobs.

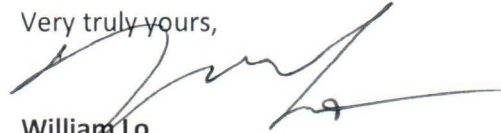
- These jobs supported an additional 431 indirect and induced jobs; together these jobs supported a total of \$317.2 million in economic activity and \$3.0 million in annual state sales tax and income tax.



- If these jobs remain in place during the ten-year eligibility period, total state sales tax and income tax revenues are estimated at \$29.6 million.

As of early 2022, 127 companies have submitted enrollment applications for the program, projecting to create more than 7,700 new jobs in the coming years. I hope that these new applicants are afforded the opportunity to benefit from this wonderful program.

Very truly yours,

A handwritten signature in black ink, appearing to read 'William Lo', with a long horizontal stroke extending to the right.

William Lo
President

Crystal Steel Fabricators, Inc.