

## SB0721 - UNFAVORABLE

The state tax credit vs. security clearances and the construction of special compartmented information facilities (SCIFs) is aimed at “an individual or a corporation.” This means the tax payers are paying for contractor companies and contractors to acquire federal security clearances and build SCIFs. Contractors make a lot of money in Maryland. While most of the individuals are very competent at their jobs, the companies negotiate the contracts with the government. These contracts typically include things like not contributing to training contractors from other companies in their government workplace. So, if contract company A and contract company B have both been contracted to perform a job for the government in, say a highly technical field such as telecommunications, contractor/individual A cannot share knowledge with contractor/individual B and vice-versa in order to complete the job. Why? Both companies want to be able to win more government contracts in the future and not help their competition. Meanwhile, the tax-payer-funded job/task/requirement suffers. It requires more cost in resources. Increase in cost is exactly what the contractor companies want. I’ve seen this with my own eyes. The contractor companies can pay to build their own SCIFs and pay for the clearances themselves. Tax-payers provide too much money for government contractors as it is.