



Reshoring Institute

MARYLAND

State Economic Survey and Incentive Comparison

CONTACT INFORMATION

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US State Name: Maryland

State Abbreviation: MD

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**Additional Relevant Links for Relocating
Companies:**

[Maryland Department of Commerce](#)

[Maryland: Open for Business](#)

[Maryland Data Explorer](#)

[Maryland Manual](#)

[Maryland Manufacturing Extension Partnership](#)

[Advanced Manufacturing in Maryland](#)

INCOME AND OUTPUT

This section highlights your state's productivity and income to provide an understanding of the amount of business conducted and the rate of growth for businesses and individuals.

Gross Domestic Product, in millions: *\$363.8 billion in 2015 and ranked 15th in the United States.*

Gross Domestic Product % Growth: *In 2015, Maryland real GDP grew 1.5 percent.*

Per Capita Personal Income (*GDP/Population): *This is often used as a standard of living measurement: \$57,936 (2016)*

Per Capita Personal Income % Change: *3.2%*

WORKFORCE

This section gives manufacturers an idea of the industry's environment in your state, including the makeup of the available workforce, the labor requirements, and recent trends.

Total Population: *6,016,447*

Total Civilian Labor Force: *3,219,000.*

Total Number of Persons Employed: *3,082,000.*

Total Number of Persons Unemployed: 137,000

Unemployment Rate %: Maryland's March 2017 unemployment rate was 4.3%.

Manufacturing Employment: 103,000

Professional and Business Services Employment: 457,600

State Right-to-Work Law Y/N: N/A

Large Factory Openings during Previous year: 13

Large Factory Closures during Previous year: 6

EDUCATION

This section provides further insight into the potential workforce education levels, advanced areas of education, and partnerships between higher education and industry for insight into quality of labor force and growth sustainability.

% High School Diploma or More: Over 880,000 students are enrolled in 1,430 public schools throughout the state, with 57,500 seniors graduating in 2016.

% Bachelor's Degree or Higher: 38.8% (placing Maryland third among the states).

Enrollment in Higher Education Institutions: Over 360,000 students currently attend 57 accredited colleges and universities.

Science and Engineering Graduate Students:

List of High school, College, or University Manufacturing Partnership Programs *These are partnerships with manufacturers to help train future employees in certain skills:*

The Maryland WorkSmart Program

Through the Maryland WorkSmart program, the state's 16 community colleges offer an array of customized, relevant workforce training solutions by identifying or building workforce training to meet the needs of business. Training takes place at a business' location or at a college, during convenient hours, using state-of-the-art equipment, and at a reasonable price.

Partnership for Workforce Quality (PWQ)

Encourages companies, especially in manufacturing and technology, to invest in incumbent worker training for job-specific skills to upgrade or retain full-time, Maryland-based employees. PWQ offers reimbursement grant funds of up to 50% of qualified costs. [Learn more.](#)

Maryland Business Works (MBW)

Offers matching funds for incumbent worker training. Training funds can be used to upgrade the skills of current employees while also creating opportunities for new hires in in-demand occupations and skills. Projects will be industry-focused and employer-based, targeting small business, particularly at the local level. [Learn more.](#)

Employment Advancement Right Now (EARN)

EARN Maryland invests in strategic industry partnerships from key economic sectors. These partnerships address the multiple needs of companies, starting with the training of skilled workers by developing plans to train and educate workers and place them in meaningful employment. [Learn more.](#)

List of Additional Manufacturing Training Programs: N/A

List of Future Planned Manufacturing Training Programs *If known please include expected implementation date:* N/A

COST OF DOING BUSINESS

This section highlights the costs associated with doing business in your state including taxes, wages, insurance, and energy expenses.

State Corporate Income Tax %: *8.25% on net income attributable to business transacted within Maryland. Local jurisdictions do not levy a corporate income tax.*

State Individual Income Tax %: *Graduated rate ranging from 2.0% to 5.75% on taxable income over \$300,000 for joint filers. Each of the counties and the City of Baltimore impose a personal income surtax ranging from 1.75% to 3.20% of taxable income.*

State Level Sales and Use Tax: *6% on tangible personal property sold at retail or used in Maryland. Does not apply to sales for resale. Does not apply to a manufacturer's purchase of raw materials nor manufacturing machinery and equipment. Does not apply to purchases of materials and equipment used in R&D and testing of finished products, and computer programs for reproduction or incorporation into another computer program for resale. Local jurisdictions do not levy a general sales tax*

Unemployment Insurance Tax % (estimate): *The range of rates for 2017 is 0.3 percent to 7.5 percent. The rate for new employers in 2017 is 2.6 percent. An exception is that, the rate for new construction employers headquartered in another state is 6.6 percent. The taxable wage base for 2017 will remain at \$8,500.*

Additional Relevant Taxes:

Workers' Compensation Employer Insurance Costs per \$100 of Payroll: *Rates can be found at [Workers' Compensation Insurance Webpage](#)*

Average Industrial Electric Rate: *Industrial electricity rates in Maryland average 8.09¢/kWh.*

Average Price of Natural Gas Delivered to Industrial Consumers: *According to the [US Energy Information Administration](#) the industrial price of natural gas was \$10.65 as of May, 2017.*

Average Hourly Earnings of Production Workers in Manufacturing: *According to [indeed](#), the average salary for a Production Worker in Maryland is \$10.81 per hour.*

Minimum Wage (current): *As of July 1, 2017, Maryland's state [minimum wage](#) rate is \$9.25 per hour.*

Pending Legislation Regarding Minimum Wage: *N/A*

If you answered YES to the above question, What is the proposed minimum wage?: *N/A*

If you answered YES to the above question, What is the legislative bill number?: *N/A*

ENTREPRENEURSHIP AND INNOVATION

This section underscores the successes of your state in terms of business innovation through awards, venture capital, and intellectual property attainment.

Total Small Business Innovation Research (SBIR) Awards.

Found at: [SBIR Awards](#):

There were 188 SBIR awards in 2016.

Total Small Business Technology Transfer (STTR) Awards.

Found at: [STTR Awards](#):

There were 31 STTR awards in 2016.

Venture Capital Deals, in millions: The Maryland Venture Fund invests in Maryland-based, highly innovative technology companies across the full range of industry sectors, including software, communications, cybersecurity, and life sciences companies in the areas of healthcare information technology (IT), medical devices, and diagnostics. The fund has total assets of approximately \$100 million. Approximately \$80 million is currently invested and \$15 million is available for new investments. Additionally, approximately \$45 million is in a designated evergreen fund, whose returns will be available for future new and follow on investments. The MVF has invested in over 150 companies that have created or retained more than 5,000 jobs.

% of State with Internet Accessibility: According to the [Broadband Now](#) website, 96.7% of Maryland's population has access to broadband.

Newly Registered Businesses: According to a spreadsheet posted by the [US Census Bureau](#), there were 7,074 establishment entries in Maryland in 2015.

Newly Registered Patents: According to a spreadsheet posted by the [US Patent Office](#), there were 1,964 patents granted in Maryland in 2015.

FOREIGN DIRECT INVESTMENT

This section provides insight into the amount of current investment overseas and the potential state market for manufacturers to reshore.

Foreign Direct Announcements: *13 (Calendar year 2016)*

Foreign Direct Employment: *5,145*

Foreign Direct Investment, in millions: *\$439,500,000*

TRANSPORTATION AND INFRASTRUCTURE

This section sheds light on the basic infrastructure of your state and what a company can expect in terms of the logistics of shipping their product.

Number of major 2 or 4-Lane Highways running through state: *Maryland offers a safe, efficient network of interstate roads; I-68, I-70, I-81, I-83, I-95, I-97, I-195, I-270, I-370, I-395, I-495, I-695, I-795, and I-895.*

Number of major railways going through state: *Served primarily by CSX Transportation and Norfolk Southern Railway; six additional short line or terminal freight railroads provide service mainly in rural areas of the state.*

Number of major ports connected to state: *1*

Number of airports throughout state: *43*

Number of International airports throughout state: *1*

Number of distribution centers: *According to Hoover's, there are approximately 10,000 warehouse and distribution companies in Maryland.*

Number of foreign trade zones: *4*

INCENTIVES

Different states offer different incentives to entice companies to move to their state. This section will allow you to highlight these incentives.

State Tax Credits

Does your state provide any Tax Credit incentives? (Y/N): Yes

If you answered YES above, Please describe the available tax credits:

Funding Program Name	Type	Category	Details
Biotechnology Investment Incentive Tax Credit	Tax Credit	Biotechnology	Provides an investor with income tax credits equal to 50% of an eligible investment in a Qualified Maryland Biotechnology Company (QMBC), supporting investment in seed and early stage biotech companies. View Program
Brownfields Tax Incentive	Tax Credit	Location-Based, General	Provides incentives including tax credits, loans and grants for the redevelopment of eligible brownfield properties in participating jurisdictions. View Program
Cellulosic Ethanol Technology R&D Tax Credit	Tax Credit	Research	Provides an income tax credit for costs incurred by Maryland businesses for qualified cellulosic ethanol technology research and development expenses. View Program
Cybersecurity Investment Incentive Tax Credit	Tax Credit	Cybersecurity	Provides a refundable income tax credit to Qualified Maryland Cybersecurity Companies (QMCCs) that secure investment from investors. View Program
Employer Security Clearances Costs Tax Credit	Tax Credit	Cybersecurity	Provides income tax credits for expenses related to federal security clearance costs, construction of Sensitive Compartmented Information Facilities (SCIFs) and first-year leasing costs for small businesses doing security-based contract work. View Program
Enterprise Zone Tax Credits	Tax Credit	Location-Based, General	Provides real property and state income tax credits for businesses located in a Maryland Enterprise Zone in return for job creation and investments. View Program
Hire Our Veterans Tax Credit	Tax Credit	Veteran/Military	Provides a State income tax credit to small businesses for hiring qualified veterans based on wages paid to those veteran employees. View Program
Job Creation Tax Credit	Tax Credit	Job Creation, General	Businesses that create a minimum number of new full-time positions may be entitled to state income tax credits of up to \$1,000 per job or \$1,500 per job in a "revitalization area." View Program

Maryland Wineries and Vineyards Tax Credit	Tax Credit	Agriculture	Provides an income tax credit for qualified capital expenses related to a Maryland winery or vineyard. View Program
More Jobs for Marylanders - Manufacturing Tax Credit	Tax Credit	Technology, Manufacturing	Provides manufacturer tax incentives tied to job creation for a 10-year period, and encourages additional investment in new equipment through accelerated and bonus depreciation. View Program
One Maryland Tax Credit	Tax Credit	General	Businesses that invest in an economic development project in a "qualified distressed county" and create at least 25 new full-time jobs may qualify for up to \$5.5 million in state income tax credits. View Program
Regional Institution Strategic Enterprise (RISE) Zone Program	Tax Credit	Location-Based, Job Creation	A RISE Zone is a geographic area that has a strong connection with a qualified institution. Businesses locating in a RISE Zone or an existing business doing a significant expansion within the Zone, may qualify for real property tax credits and income tax credits related to capital investment and job creation. View Program
Research and Development Tax Credit	Tax Credit	Research	Businesses that have qualified R&D expenditures in Maryland may qualify for two state income tax credits, the Basic R&D Tax Credit and the Growth R&D Tax Credit. View Program

State Grants

Does your state provide any Grant incentives? (Y/N): Yes

If you answered YES above, Please describe the available grants:

Funding Program Name	Type	Category	Details
ADVANCE Maryland	Grant	Small Business, Research, Job Creation	Economic gardening program for second-stage entrepreneurs that offers businesses critical strategic information customized to their needs. View Program
Base Realignment and Closure (BRAC) Revitalization and Incentive Zone	Grant	Economic Development Partners	Provides local governments with financial assistance for public infrastructure in BRAC areas already designated for growth. View Program
Community Development Block Grant (CDBG)	Grant	Economic Development Partners	Provides funding to commercial and industrial economic development projects. Funds are dispersed to a local jurisdiction in the form of a conditional grant and then used for public improvements or loaned to a business. View Program
Economic Development Opportunities Fund (Sunny Day)	Grant	Job Creation	Supports extraordinary economic development opportunities that create and retain employment as well as create significant capital investments. View Program

<u>ExportMD Program</u>	Grant	International, Startup, Small Business	Helps to offset some of the costs of marketing internationally for Maryland's small and mid-sized companies, providing up to \$5,000 in reimbursement for expenses associated with an international marketing project. View Program
<u>Maryland ENnovation Initiative Fund (MEIF)</u>	Grant	Research, Higher Education	Offers a state match to private funds raised in support of endowed chairs at Maryland's nonprofit institutions of higher education. Under the fund, \$8.5 million will be appropriated by the Governor annually from fiscal 2016 through 2021. View Program
<u>Maryland Economic Adjustment Fund (MEAF)</u>	Grant	Small Business, Manufacturing	Assists business entities in the state with modernization of manufacturing operations, development of commercial applications for technology, and exploring and entering new markets. View Program
<u>Maryland Economic Development Assistance Authority Fund (MEDAAF)</u>	Grant	Location-Based, General, Economic Development Partners	Funds grants, loans and investments to support economic development initiatives in priority funding areas of the state. Uses include business attraction and retention, infrastructure support, brownfield redevelopment, A&E districts, daycare, revolving loan funds and local strategic planning. View Program
<u>Maryland Value Added Producer Grants Program</u>	Grant	Agriculture	Makes grants available to those pursuing obtaining financial support from the USDA's Value Added Producer Grants Program. View Program
<u>Partnership for Workforce Quality (PWQ)</u>	Grant	Technology, Manufacturing	Provides matching training grants and support services targeted to improve the competitive position of small and mid-sized manufacturing and technology companies. View Program
<u>Rural Business Energy Efficiency Program</u>	Grant	Energy, Agriculture	Facilitates the purchase of equipment or technology related to lowering business-related energy consumption. View Program
<u>Small, Minority and Women-Owned Business Account- Video Lottery Terminal Fund (VLT)</u>	Grant	Small Business, Minority, Women-Owned Business	Uses proceeds from video lottery terminals (slots) to assist small, minority and women-owned businesses located in targeted areas surrounding six Maryland casinos. View Program
<u>U.S. Department of Agriculture (USDA) Programs and Services for Businesses</u>	Grant	Agriculture	USDA provides funding opportunities for rural small businesses through loans, loan guarantees and grants. View Program

State Loans

Does your state provide any Low-Interest Financing incentives? (Y/N): Yes

If you answered YES above, Please describe the available financing opportunities:

Funding Program Name	Type	Category	Details
Forestry Equipment and Working Capital Loan (FEWCL)	Loan	Agriculture	Offers low-interest loans to Maryland's forest products businesses with respect to working capital and equipment purchases. View Program
Maryland Resource-Based Industry Financing Fund Loan (MRBIFF)	Loan	Agriculture	Offers low-interest loans to established Agricultural/Resource-Based Industry firms for the purchase of land and capital equipment for production and processing activities, and environmental or water-quality enhancement projects. View Program
Maryland Vineyard Planting Loan Fund (MVPLF)	Loan	Agriculture	Helps meet the unique financing needs of Maryland's rural landowners wanting to plant vineyards and develop wineries. View Program
Military Personnel and Veteran-Owned Small Business Loan Program	Loan	Veteran/Military	No interest loans of up to \$50,000 for businesses owned by military reservists, veterans, National Guard personnel and for small businesses that employ or are owned by such persons. View Program
Rural Business Working Capital Fund Loan (RBWCL)	Loan	Agriculture	Offers low-interest loans to established Agricultural/Resource-Based Industry firms and producers for working capital and equipment purchases. View Program
State Small Business Credit Initiative (SSBCI)	Loan	Small Business, Manufacturing	A component of the federal Small Business Jobs Act of 2010 that provides direct funding for state credit enhancement programs. These funds must target an average borrower size of 500 employees or less and loans averaging \$5 million. View Program

Training Programs

Does your state provide any Specialized Training Program incentives? (Y/N): Yes

If you answered YES above, Please describe the available training programs:

Partnership for Workforce Quality (PWQ)

PWQ provides matching training grants and support services targeted to improve the competitive position of small and mid-sized manufacturing and technology companies. Grants are used to increase the skills of existing workers for new technologies and production processes, improve employee productivity and increase employment stability. Matching grant funds are used to reimburse up to 50% of the costs of qualified projects.

Applicants must be a Maryland employer, may not be in arrears with any State taxing agency, and not be in default with any Commerce program.

Applicants should have a minimum of ten full-time employees. At least 60% of available funds must be awarded to employers with 150 or fewer employees in the State. The Program encourages the participation of small and minority-owned businesses.

Priority will be given to manufacturing and technology companies. In regions of the State where regionally important industries have been identified beyond manufacturing and technology, justification should be provided to approve PWQ funding.

Zoning

Does your state provide any Special Zoning incentives? (Y/N): N/A

If you answered YES above, Please describe the available special zoning opportunities:

Zoning in Maryland is administered at the county level. If zoning incentives are available for a particular location, they will be provided by the county.

Innovation Centers

Does your state have Innovation Centers or Additional Resource available for companies? (Y/N): Yes. Additional information about specific facilities can be found at [Maryland's Business Incubators](#).

If you answered YES above, Please describe the available innovation centers or additional resources:

INCUBATOR NAME	CITY	REGION
Business Incubator, Salisbury Airport	Salisbury	Eastern Shore
Embassy Business Complex	Waldorf	Southern Maryland
Technical Innovation Center	Baltimore	Greater Baltimore
Betamore	Hagerstown	Western Maryland
Association For Entrepreneurial Science (AES)	Rockville	Capital
Bethesda Green Business Incubator	Bethesda	Capital
Bowie Business Innovation Center (Bowie BIC)	Bowie	Capital
Frederick Innovative Technology Center, Inc. (FITCI)	Frederick	Capital
Germantown Innovation Center	Germantown	Capital
Maryland International Incubator	College Park	Capital
Prince George's County Technical Assistance Center	Largo	Capital
Rockville Innovation Center	Rockville	Capital
William E. Hanna Jr. Center for Innovation at Shady Grove	Rockville	Capital
Silver Spring Innovation Center	Silver Spring	Capital
Technology Advancement Program	College Park	Capital
Wheaton Business Innovation Center	Wheaton	Capital
Life Science and Technology Incubator at bwtech@UMBC (South)	Baltimore	Greater Baltimore
Chesapeake Innovation Center	Annapolis	Greater Baltimore
Emerging Technology Center @ Canton	Baltimore	Greater Baltimore
Emerging Technology Center @ Johns Hopkins Eastern	Baltimore	Greater Baltimore
Harford Business Innovation Center (HBIC)	Belcamp	Greater Baltimore
Clean Energy Technology Incubator (CETI) at bwtech@UMBC (South)	Baltimore	Greater Baltimore
MCE Incubator	Columbia	Greater Baltimore
TowsonGlobal Business Incubator	Towson	Greater Baltimore

Business & Technology Growth Center at University Town Center	Hyattsville	Capital
Cyber Incubator at bwtech@UMBC (North)	Baltimore	Greater Baltimore
Bio Innovation Center (UMB BioPark)	Baltimore	Greater Baltimore
Garrett Information Enterprise Center (GIEC)	McHenry	Western Maryland

REGIONAL INFORMATION

The Maryland Department of Commerce prepares and publishes a detailed economic profile for Baltimore City and every county in Maryland. The information in these documents include: location, population, employment, labor availability, hourly wage rates, schools, housing, tax rates and major employers. The links below provide profiles for every local jurisdiction in Maryland.

[Allegany County](#)

[Anne Arundel County](#)

[Baltimore City](#)

[Baltimore County](#)

[Calvert County](#)

[Caroline County](#)

[Carroll County](#)

[Cecil County](#)

[Charles County](#)

[Dorchester County](#)

[Frederick County](#)

[Garrett County](#)

[Harford County](#)

[Howard County](#)

[Kent County](#)

[Montgomery County](#)

[Prince George's County](#)

[Queen Anne's County](#)

[Somerset County](#)

[St. Mary's County](#)

[Talbot County](#)

[Washington County](#)

[Wicomico County](#)

[Worcester County](#)

[Statewide](#)

AMERICAN MADE LABEL REQUIREMENTS

Federal Trade Commission oversees “Truth in Advertising” regulations including promotion or disclosure of products displaying “Made in USA” labeling. FTC requires products advertised as “Made in USA” be “all or virtually all” made in the U.S. “all or virtually all” means the product should contain no – or negligible – foreign content.

Made In USA Requirements

Maryland follows the federal guidelines for Made in USA labeling. Maryland companies are not required to comply with any other regulations or requirements.

Made In YOUR STATE Requirements

Maryland follows the federal guidelines for Made in USA labeling. Companies that make their products in Maryland are free to promote them as “Maryland made” as long as they do so honestly.

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Thank you for your time. Please email your responses to alevy@reshoringinstitute.org and your responses will be recorded and available online for review at www.reshoringinstitute.org.