

# Department of Commerce

## MISSION

Our mission is to create an economic development culture in Maryland that will maximize our great assets and create quality jobs. We will retain, grow and attract companies through outstanding customer service while creating the highest level of prosperity for all Marylanders.

## KEY GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

**Goal 1. Achieve operational excellence through the adoption of customer service standards, training, orientations, and performance reviews.**

**Obj. 1.1** Create a comprehensive program for ongoing training strategies encompassing all needs within the Department.

**Obj. 1.2** Achieve "outstanding" results on customer service survey from stakeholders.

Performance Measures	2013 Act.	2014 Act.	2015 Act.	2016 Act.	2017 Act.	2018 Est.	2019 Est.
Percentage of staff completing customer service training	N/A	N/A	N/A	N/A	100%	100%	100%
Percentage of stakeholders rating customer service as somewhat or very satisfied	N/A	N/A	N/A	N/A	93%	95%	98%

**Goal 2. Foster a competitive business environment by assessing the impacts of taxes and the effectiveness of financing programs and tax credits.**

**Obj. 2.1** Leverage private sector capital of at least 5:1 in the fiscal year for financing programs operated by the Department.

**Obj. 2.2** Create a return on incentive of at least 10:1 on settled transactions with contractually obligated employment reporting in the fiscal year for the Maryland Economic Development Assistance Authority and Fund (MEDAAF) Capability 1, 2, 3 and Sunny Day.

**Obj. 2.3** Maryland Biotechnology Investment Tax Credit Reserve Fund (BIITC) will have stimulated private investment in qualified Maryland biotechnology companies (QMBCs) annually that is at least 200 percent of the tax credit amount that is issued each year.

Performance Measures	2013 Act.	2014 Act.	2015 Act.	2016 Act.	2017 Act.	2018 Est.	2019 Est.
Number of financing transactions approved	N/A	46	57	38	39	40	40
Number of financing transactions settled	61	41	38	34	23	30	30
Dollar amount of total project costs (capital investment) anticipated for projects settled (millions)	\$399	\$348	\$509	\$308	\$368	\$350	\$350
Private sector dollars leveraged	N/A	15:1	18:1	23:1	9.6:1	10:1	10:1
Return On incentive (ROi) over 5 years	N/A	9.4:1	19.2:1	24.5:1	16.6:1	10.0:1	10.0:1
Number of applications: Form B - Biotechnology	36	35	41	34	39	50	60
Number of applications: Form A – Investors	191	233	230	229	292	460	500
Private Investment in QMBCs (millions)	\$15	\$20	\$24	\$24	\$24	\$24	\$24
Number of investors receiving the BIITC	134	147	157	164	164	165	165
Number of QMBCs receiving investment	23	25	24	23	24	28	30
New jobs created through the BIITC	26	25	25	39	42	45	50
Number of QMBCs receiving investment that have remained viable in Maryland for 5 years or more	17	20	19	18	17	20	20

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**Goal 3. Advance innovation and entrepreneurship by tapping into education and innovation communities through workforce development initiatives and embracing a culture of commercialization.**

**Obj. 3.1** Increase the number of skilled workers and improve business climate through the Partnership for Workforce Quality (PWQ) grant program.

Performance Measures	2013 Act.	2014 Act.	2015 Act.	2016 Act.	2017 Act.	2018 Est.	2019 Est.
Number of grants approved through the PWQ program	N/A	N/A	N/A	N/A	N/A	40	40
Number of workers trained through the PWQ program	N/A	N/A	N/A	N/A	N/A	1,500	1,500

**Goal 4. Expand targeted growth clusters and industries by means of collaboration, ambassador programs, workforce development initiatives, partnerships, and industry advisory boards.**

**Obj. 4.1** Develop and maintain a pipeline of projects resulting in successful facility location decisions and other projects creating and retaining jobs in Maryland.

**Obj. 4.2** Jobs created and retained resulting from successful facility location decisions, export assistance and resolving issues for Maryland businesses.

**Obj. 4.3** Increase outreach efforts to Maryland investors, incubators, universities and federal facilities to connect with entrepreneurs and early stage companies to assist in promoting innovation and securing business locations in Maryland.

**Obj. 4.4** Engage no less than 400 foreign corporations per year to consider Maryland as an ideal location for their U.S. operations.

**Obj. 4.5** Attract no less than 40 potential Foreign Direct Investment (FDI) business decision makers to explore potential sites in Maryland per year.

Performance Measures	2013 Act.	2014 Act.	2015 Act.	2016 Act.	2017 Act.	2018 Est.	2019 Est.
Direct outreach	983	1,218	1,051	2,263	3,421	3,525	3,630
Group outreach	522	583	549	548	1,160	1,195	1,235
Issues resolved	1,515	1,602	1,617	1,670	2,412	2,485	2,560
Facility location opportunities	215	224	220	226	286	295	305
Facility location decisions	70	89	62	70	84	85	90
Total jobs retained	5,731	3,573	4,950	3,689	15,261	5,420	5,585
Total jobs created	5,098	7,054	6,811	7,616	6,907	7,115	7,330
Total jobs	10,829	10,627	11,761	11,305	22,168	12,535	12,915
Number of foreign companies engaged	N/A	415	435	654	379	450	475
Number of foreign company location decisions	12	13	9	11	17	16	18
Number of foreign prospects visiting Maryland buildings and/or sites	45	48	50	43	39	45	47
Value of private sector export sales resulting from Commerce assistance (millions)	\$60	\$73	\$85	\$94	\$100	\$105	\$110

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**Goal 5. Create one Maryland and enhance community development by increasing touchpoints by Commerce staff in the local jurisdictions and engaging underserved populations and businesses of all sizes.**

**Obj. 5.1** Facilitate job creation, retention and capital expenditure through the Maryland Small Business Development Financing Authority (MSBDFA).

**Obj. 5.2** Prepare early stage biotechnology companies to be successful, leading to job creation.

Performance Measures	2013 Act.	2014 Act.	2015 Act.	2016 Act.	2017 Act.	2018 Est.	2019 Est.
Jobs created through MSBDFA	N/A	131	211	212	176	200	200
Jobs retained through MSBDFA	N/A	223	282	227	339	280	280
<sup>1</sup> Number of people employed by life sciences companies based on North American Industry Classification System (NAICS)	33,789	34,753	35,903	36,412	38,903	39,922	40,967

**Goal 6. Improve brand and attract talent by leveraging the Maryland Public-Private Partnership (P3), Marketing Corporation and the State's major economic drivers and regional organizations.**

**Obj. 6.1** Provide outstanding customer service and visitor experience at welcome centers, call centers, and web site.

**Obj. 6.2** Generate an additional \$30 million in State sales tax revenue in tourism tax categories determined in the Tourism Promotion Act by fiscal year 2017.

Performance Measures	2013 Act.	2014 Act.	2015 Act.	2016 Act.	2017 Act.	2018 Est.	2019 Est.
Travel media exposure (millions)	\$13.9	\$9.6	\$9.5	\$12.1	\$15.6	\$12.8	\$13.2
Number of welcome center visitors	333,001	295,484	319,824	340,070	371,879	383,200	394,600
Literature distribution	1,085,610	727,417	939,733	835,070	876,693	885,926	879,661
Tourism-related sales tax revenues (millions)							
Restaurants, lunchrooms, delis without beer, wine, liquor (BWL)	\$108	\$112	\$120	\$130	\$133	\$137	\$141
Hotels and motels selling food with BWL	\$43	\$42	\$42	\$40	\$38	\$39	\$41
Restaurants and night clubs with BWL	\$82	\$83	\$87	\$89	\$91	\$94	\$96
General merchandise	\$8	\$8	\$11	\$13	\$14	\$14	\$15
Automobile, bus and truck rentals	\$56	\$58	\$60	\$64	\$66	\$68	\$70
Commercial airlines	\$0.1	\$0.2	\$0.2	\$0.3	\$0.2	\$0.2	\$0.2
Hotels, motels, apartments and cottages	\$92	\$94	\$100	\$110	\$121	\$124	\$128
Recreation and amusement places	\$3	\$3	\$4	\$5	\$5	\$5	\$5
Total tourism-related sales tax revenues	\$392	\$401	\$426	\$451	\$469	\$481	\$496

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**Obj. 6.3** Increase leisure and hospitality jobs (U.S. Bureau of Labor Statistics (BLS) estimate) by 2 percent by fiscal year 2017.

<b>Jobs Generated</b>	<b>2013 Act.</b>	<b>2014 Act.</b>	<b>2015 Act.</b>	<b>2016 Act.</b>	<b>2017 Act.</b>	<b>2018 Est.</b>	<b>2019 Est.</b>
Arts, entertainment, and recreation	40,008	42,408	45,200	45,300	46,100	46,561	47,027
Accommodation	24,175	24,050	23,700	24,200	25,600	25,856	26,115
Food services and drinking places	185,617	190,658	195,300	200,800	200,800	202,808	204,836
Total jobs generated	249,800	257,117	264,200	270,400	272,500	275,225	277,977

**Obj. 6.4** Maximize gross sales by Maryland non-profit arts industry.

**Obj. 6.5** Maximize State and local taxes generated by Maryland's non-profit arts industry.

**Obj. 6.6** Provide quality arts-in-education programs for Maryland students.

**Obj. 6.7** Promote Maryland's competitive business advantages through events and advertising, leveraging at least \$1 for every \$1 spent.

**Obj. 6.8** Annually increase digital communication audience - email subscribers, social audience and web visitors.

<b>Performance Measures</b>	<b>2013 Act.</b>	<b>2014 Act.</b>	<b>2015 Act.</b>	<b>2016 Act.</b>	<b>2017 Act.</b>	<b>2018 Est.</b>	<b>2019 Est.</b>
Gross sales by Maryland non-profit arts industry (billions)	\$1.0	\$1.0	\$1.2	\$1.3	\$1.3	\$1.3	\$1.3
Total number of jobs (FTE) supported by non-profit arts industry	11,986	12,155	10,905	16,624	16,500	16,500	16,500
Number of attendees at arts events supported by Maryland State Arts Council (MSAC) (millions)	7.6	8.3	9.2	8.1	8.1	8.1	8.1
Individual Artists program – number of participants	593	400	388	592	346	400	400
State and local taxes paid by Maryland non-profit arts industry (millions)	\$44.6	\$48.3	\$54.0	\$56.0	\$56.0	\$56.0	\$56.0
Arts organizations payroll (millions)	\$102.0	\$103.0	\$110.0	\$106.7	\$107.0	\$107.0	\$107.0
Per capita arts investment	\$2.2	\$2.6	\$2.7	\$2.9	\$2.9	\$3.0	\$3.0
Number of schools served	507	528	473	490	559	559	599
Number of children served through performances/residencies (thousands)	199	194	152	164	121	121	121
Number of teaching artists and ensembles on MSAC	135	124	124	112	112	112	112
Value of media coverage (millions)	\$2.4	\$1.5	\$2.5	\$1.4	\$3.7	\$3.8	\$4.0
Number of engagements on social networks	N/A	2,453	27,504	53,197	74,400	100,000	125,000
Dollars leveraged for every dollar spent	\$1.8	\$1.0	\$1.0	\$0.3	\$0.6	\$0.8	\$1.0
Total private sector dollars raised through fundraising	N/A	N/A	N/A	N/A	\$883,350	\$720,000	\$750,000
Social networking audience size	N/A	16,582	22,302	28,462	33,212	40,000	48,000
Number of unique email subscribers	26,537	24,699	17,053	19,127	19,447	20,000	25,000

## NOTES

<sup>1</sup> Data for 2017 is estimated.