

**Testimony in Support of Senate Bill 24
Small Business Fairness Act**

**Senate Budget and Taxation Committee
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1:00 PM**

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The Maryland State Education Association supports SB 24 proposing to require specific corporations to compute Maryland taxable income using the method of combined reporting.

MSEA represents 74,000 educators and school employees who work in Maryland's public schools, teaching and preparing our 893,689 students for career jobs of the future. MSEA also represents 39 local affiliates in every county across the state of Maryland, and our parent affiliate is the 3 million-member National Education Association (NEA).

MSEA supports passage of an adequate, sustainable, predictable revenue stream that will adequately fund both the operating and construction costs of our public schools. Public education, as with many other worthy services provided by government, is a common good and needs to be supported with revenue sources that are broad based, reliable, and stable. Providing adequate funding for education is an investment that promotes families, communities, economic development, and public safety. Investing in education provides an educated workforce that pays income taxes based upon higher salaries, pays sales taxes based upon greater consumer demand, and pays property taxes through expanded home purchasing power. Today's investment in education is tomorrow's increased government revenues.

A great public school for every child means our students have updated technology, small manageable classes, safe and modern schools, proper healthcare and nutrition, and have highly qualified and highly effective educators. The work of the Commission on Innovation and Excellence in Education (Kirwan Commission) further recommends improvements to access to Pre-K and Career Technology Education, as well as expansion of the educator workforce and increased salaries to help deliver individualized instruction and recruit and retain the best workforce in the country.

The Kirwan Commission has determined that Maryland will need to put substantially more resources into education if our state is to help our citizens become truly successful in the very competitive national and global economies. This is the time to be locating and allocating more resources to education, and combined reporting is part of that funding solution.

We urge the committee to issue a Favorable Report on Senate Bill 24.