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Nursing & Rehab Center

P.O. Box 250 • 57 Jackson Street • Lonaconing, MD 21539

March 10, 2025

House Bill 1554

Chair Vanessa E. Atterbeary House Ways and Means Committee 130 Taylor House Office Building Annapolis, Maryland 21401

Senate Bill 1045

Chair Guy Guzzone Senate Budget and Taxation Committee 3 West Miller Senate Office Building Annapolis, Maryland 21401

Dear Legislators:

We are writing to OPPOSE House Bill 1554 and its companion Senate Bill 1045: Sales and Use Tax — Taxable Business Services — Alterations. I am the President of Egle Nursing Home Management, Inc. in Lonaconing, Maryland. Our company operates a 66-bed skilled nursing facility and a 16-bed memory care assisted living facility. We employee over 125 people and serve Maryland's most vulnerable populations. This additional tax of 2.5% will cost our company into the tens of thousands and perhaps hundreds of thousands in new taxes. This tax is especially devastating to long term care facilities in Maryland because the vast majority of our revenue is Medicaid and Medicare funding. Our rates are set by both programs and we are unable to modify what we bill/charge to mitigate the cost of such a new tax. Such a scenario would be untenable for our company and all long-term care providers in Maryland.

Thank you for the opportunity to present this written testimony. Please contact my office with any questions.

Sincerely,

Jeffery Metz, LNHA, MBA

President