



**Hearing Testimony February 12, 2020
House Ways and Means Committee
Service Employees International Union, Local 500, CtW, CLC**

House Bill 439 – Carried Interest Loophole

SUPPORT

Hello everyone. My name is Wendy Smith. I'm a special education paraeducator, a mother of Maryland public school graduates, and a proud member of SEIU Local 500. At 20,000 members and growing, we are the fastest expanding union in the region. While we work in many professions, we are here today as educators, standing up for the needs of Maryland's children.

As a special education paraeducator, I see firsthand the damage that underfunding of our schools can cause. Paraeducators, especially special education paraeducators like me, are hired to teach and assist students. Often these students depend on us, whether to help them overcome a learning difficulty or to master a subject they find challenging.

When we are short staffed or when a colleague calls in sick, one of us may need to cancel a class or tutoring session cover for a missing colleague. For kids struggling with a given subject, this can mean missing precious time to catch up. For students with special needs, it can mean breaking a bond with a trusted educator - something that can't easily be repaired by simple rescheduling.

So today, I am voicing our support for House Bill 439, which would allow the state to raise revenue from investments and close what has come to be known as the carried interest loophole. By closing this loophole, which is only available to a relatively small number of wealthy individuals, we can raise much needed revenues to improve our schools and give our children the future they deserve.

We do not have any time to waste. I - and countless other paraeducators - can attest to the harm that underfunding does to our schools and our children. A child's

**Service Employees International Union, Local 500, CtW, CLC
12 Taft Court, Rockville, MD 20850
301-740-7100 www.seiu500.org
Pia Morrison, President**



time in school is finite, and our failure to fund their education now will have negative effects on their education and the future of the Maryland economy for a generation.

We do however have a great opportunity before us now. With the General Assembly debating how to implement the wise recommendations of the Kirwan Commission, we have a once-in-a-generation chance to reform our system of public education. There should be no doubt that Kirwan should be fully implemented; the only question should be how to fund those reforms.

We propose funding that is fair, responsible, and sustainable - funding that comes from asking corporations and the super-rich to finally pay their fair share and from closing needless loopholes. A good place to start would be the carried interest loophole.

Funding our schools fully, fairly, and sustainably will take multiple pieces of legislation, many of which are before this Committee today. My fellow paraeducators and I ask that you each fully support House Bill 439 as part of your plan to fund our children's future. Thank you.

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