TESTIMONY PRESENTED TO THE SENATE BUDGET & TAXATION COMMITTEE

SENATE BILL 172 - MARYLAND HEALTH EQUITY RESOURCE ACT Sponsor – Senator Hayes, et al

January 27, 2021

DONALD C. FRY PRESIDENT & CEO GREATER BALTIMORE COMMITTEE

Position: Support

The Greater Baltimore Committee (GBC) supports Senate Bill 172, which would enable state officials to designate certain areas of the state as equity zones, qualifying them for tax credits, grants, and health care provider loan repayment assistance. It would be funded by a 1 percentage point increase in the state's alcohol tax, boosting it to 10% from 9%.

Senate Bill 172 builds on a previous pilot program that ran from 2012 to 2016 and created five health enterprise zones using money from the state's general fund. The pilot program proved that equity zones could help prevent unequal outcomes and lower health care costs.

As outlined in the GBC's <u>2021 Legislative Priorities</u>, this bill is aligned with with the GBC's organizational focus on advancing racial equity and social justice. The GBC is committed to reviewing all legislative proposals through an equity lens and to consider the impacts of proposed legislation on small and minority owned businesses, minority populations, and economically disadvantaged residents, balanced with the need to support economic growth. Senate Bill 172 is a proposal that supports our racial equity and social justice focus, and supports the economy by keeping health costs down and maintaining the health of disadvantaged populations.

For these reasons, the Greater Baltimore Committee urges a favorable report on Senate Bill 172.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 66-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.