

Senate testimony SB 622(1)

Uploaded by: Metzger, Kathy

Position: FAV

Kathy Metzger
209 Mt. Oak Place
Annapolis, MD 21409

Dear Senators,

I am Kathy Metzger from District 3. Thank you, Senator Edwards, for introducing Senate Bill 622. I am grateful for the opportunity to be a voice for communities that are desperately in need of our help. Last spring when covid hit the service industry so severely, many workers lost their jobs, especially in the Hispanic communities. Last April, with the help of Downtown Hope Church and Feed Anne Arundel, we started a Pop Up Pantry at a local elementary school to provide food, hygiene items and baby goods for these families. Their need was, and still is, immediate. Their money doesn't stretch far enough to pay the rent, keep food on the table and babies in dry diapers. Over the summer months, we surveyed our families and found that the top two reasons they came to us were for fresh food and diapers. Just this past Saturday we crossed over the mark of serving over 55,000 individuals. (And that's just at one pantry! There are many others in our county doing the same thing.) So many people have come alongside of us to donate, month after month. Yet there is one thing that we worry about: donor fatigue. People have given time and resources again and again, but there is no end in sight. We are scrounging up donations week after week. That's why we need to incentivize those who are giving generously to keep the donations coming in.

So why incentivize these items? The food banks are doing a good job of getting the food items that families need. However, what seems like a "given" to many of us as necessities, are items that come at a huge cost to a low or no income family. One volunteer asked me why we don't just give cloth diapers

that would be more economical. Imagine that you live in an area with one of the highest covid rates. You don't own a washer and dryer. You don't own a car to get to a laundromat. You have young children at home with you and schools have been online. You are just trying to keep food on the table. Now imagine that you have a teenage daughter who is afraid to leave the house because she doesn't have the feminine hygiene products that she needs. Since you don't have a car, you need to walk to a store to get what is needed and there is limited access to public transportation to a low cost store. Having a pantry that gives you these personal hygiene items meets a huge need! These items protect the health of our women and children.

Over the past ten months, we have given away countless feminine hygiene items and over 250,000 diapers. We are just one of several pantries serving our Annapolis community. Now think of the needs of our county, and every county in Maryland, and we have a huge need. This isn't going away anytime soon. We have to find ways to help individuals and corporations give generously to meet these needs. This tax incentive is a way to do so. Let's do what we can to get these items into the hands of every woman and child in need of our help.

I ask you for a favorable report on this bill. Thank you for this opportunity to speak, for those who don't have the opportunity.

Respectfully submitted,
Kathy Metzger

SB0622 MD NARAL SUPPORT.pdf

Uploaded by: Philip, Diana

Position: FAV



**SB0622 - Income Tax – Subtraction Modification –
Donations to Diaper Banks and Other Charitable Entities**

Presented to the Hon. Guy Guzzone and Members of the Senate Budget and Taxation Committee
February 24, 2021 12:00 p.m.

POSITION: SUPPORT

NARAL Pro-Choice Maryland **urges the Senate Budget and Taxation Committee to issue a favorable report on SB0622 - Income Tax – Subtraction Modification – Donations to Diaper Banks and Other Charitable Entities**, sponsored by Senator George Edwards.

Our organization is an advocate for reproductive health, rights, and justice. As part of our efforts to protect reproductive freedom for all Marylanders, we work to ensure every childbearing individual has the right to decide if, when, and how many children to have, and to parent in good health, in safety, and with dignity. In doing so, we support measures to increase timely and fair access to basic hygiene products. There are families in Maryland for whom cost and access to basic products and services remain barriers to childrearing. Being without diapers can lead to emotional and financial stress, infant physical health problems, and inability to access childcare.¹

The average retail cost of diapers is approximately \$80 per child per month, which adds up to about \$1,000 per year. Given that children need diapers for their first few years, families with multiple children will spend thousands of dollars on diapers within a short time frame. This causes an enormous burden on families living in poverty, as they might be forced to choose between purchasing diapers and paying for other necessary living costs. Diaper banks and similar organizations address this issue head on by providing diapers and other hygiene products to partners that work directly with families in need. Diaper banks rely on donations from the community, both monetary and products, to ensure families have access to a reliable source of diapers and hygiene products at no cost to them.

The federal changes to charitable giving has made giving feel less impactful or attainable for many in Maryland. Allowing people to deduct product donations from their Maryland income taxes encourages giving and improves accessibility to giving for many. SB0622 will allow Marylanders to give in a meaningful and tangible way while also allowing diaper banks to keep their shelves stocked.

We strongly support caregivers having access to affordable diapers to care for their families. The ability to parent with dignity is essential to the realization of reproductive freedom, and contributes to realizing plans to add to one's existing family. Encouraging and incentivizing giving to organizations that address diaper need in Maryland through income tax deductions is a small, but important step to ensure families have access to basic needs. For these reasons, NARAL Pro-Choice Maryland **urges a favorable committee report on SB0622**. Thank you for your time and consideration.

¹ Kruse, Anna, "Diaper Need and Maternal Mental Health: A Geographic Assessment in The City of New Haven" (2013). Public Health Theses. 1153. [online] <http://elischolar.library.yale.edu/ysphtdl/1153> [Accessed 8 Jan. 2020]

Maryland Catholic Conference_FAV_SB622.pdf

Uploaded by: Sheahan, Molly

Position: FAV



ARCHDIOCESE OF BALTIMORE † ARCHDIOCESE OF WASHINGTON † DIOCESE OF WILMINGTON

February 24, 2021

**Senate Bill 622
Income Tax – Subtraction Modification – Donations to Diaper Banks and
Other Charitable Entities**

Senate Budget and Tax Committee

Position: Support

The Maryland Catholic Conference represents the public policy interests of the three Roman Catholic (arch)dioceses serving Maryland: the Archdiocese of Baltimore, the Archdiocese of Washington, and the Diocese of Wilmington, which together encompass over one million Marylanders.

Senate Bill 622 would provide a tax credit up to \$1000 for donations made to diaper banks or other charitable organizations that distribute diapers and feminine hygiene products to families in need.

Of the 217,000 babies and toddlers in the state of Maryland, one-quarter live in low-income families. Diapers are expensive, costing the average family \$80 per month, and for single parent households, infant care costs approximately 40% of the household income.¹ Additionally, diapers and feminine hygiene products are not covered by SNAP or WIC, leaving many families unable to afford these essential items out of pocket. Maryland's diaper banks and charities distribute hundreds of thousands of diapers to these families, helping babies stay safe and dry.

The Conference works to support efforts that are life-affirming. Offering a tax credit to donors providing diapers, feminine hygiene products and monetary donations to diaper banks and other charities would help fill the needs of Maryland families when they most need help. No mom or dad should ever have to worry about having a diaper for their baby or toddler. This bill would encourage donations that protect the health and safety of children and encourage a family-friendly environment.

It is for these reasons that the Maryland Catholic Conference asks for a favorable report for **SB 622**. Thank you for your consideration.

¹ "Maryland Diaper Facts" [National Diaper Bank Network](#), December 2019

SB 622(MD) support testimony.pdf

Uploaded by: Vander Klay, Phillip

Position: FAV



In Support of SB 622
Income Tax – Subtraction Modification – Donations to Diaper Banks and Other Charitable Entities
February 24, 2021

Chair Guzzone, Vice-Chair Rosapepe, and members of the Budget and Taxation Committee

I write to convey our support of SB 622 to support the critical work of diaper and period supply banks across Maryland. This legislation recognizes the economic importance of clean diapers to children and their families and menstrual supplies to women and incentivizes much-needed donations to organizations doing amazing work in their communities every day.

The National Diaper Bank Network supports the work of over 240 member diaper banks across all 50 states, Washington, D.C. and Puerto Rico. The Alliance for Period Supplies supports over 100 period product banks across 37 states and Washington, D.C.

SB 622 would create a tax deduction of up-to \$1,000 for donations of diapers and other hygiene products for children or infants, as well as feminine hygiene products, to charitable entities. This deduction would be applicable on donated goods or cash designated for these items.

Passing this legislation and encouraging further donations for these products would produce three important economic benefits. First, increasing donations by providing this incentive would enable local organization to serve greater numbers of families in their communities. Research in Connecticut showed that for every \$10,000 of diaper assistance invested in local families, the total personal income of the families helped increased by \$114,000.

Second, one in three U.S. families struggles to provide enough diapers to keep their baby clean, dry, and healthy. Most child care providers require families to provide a full day's worth of diapers when they drop their child off at the center. When parents are not able to provide the 5-10 diapers required, they are often forced to miss work. This costs the family a day's wages and the employer loses productivity. A recent report estimated the national annual cost of the child care crisis at \$57 billion. Additionally, one in four women has struggled to purchase enough feminine hygiene products. Similarly, this lack of a basic necessity can force women to stay home from work or school, depressing their wages as well as micro-economic productivity.

Third, children need diapers and women need feminine hygiene products to stay healthy and avoid infection risks. Children go through six-12 diapers each day during the two to three years they wear diapers. Without enough diapers, infants and toddlers are at risk of skin infections,

nationaldiaperbanknetwork.org
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open sores, urinary tract infections, and other conditions that may require medical attention.¹ Without tampons or other feminine hygiene products, women are unable to leave their homes or are forced to rags, towels, or other less-sanitary options which can expose them to infection risks. Infections or other medical conditions resulting from a lack of these basic necessities are completely preventable. Increasing the resources to provide more of these products to communities in need will help prevent unnecessary medical costs.

I respectfully ask for your support of SB 622 to support families and menstruators across the state as we work to recover from the pandemic and enable our communities to survive and thrive both now and into the future.

Sincerely,

A handwritten signature in black ink, appearing to read "P. Vander Klay". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Phillip Vander Klay
Director of Policy and Government Relations
National Diaper Bank Network | Alliance for Period Supplies

¹ Adalat, S., Wall, D., & Goodyear, H. (2007). Diaper dermatitis-frequency and contributory factors in hospital attending children. *Pediatric Dermatology*, 24(5), 483-488

SB0622-BT_MACo_OPP.pdf

Uploaded by: Kinnally, Kevin

Position: UNF



Senate Bill 622

Income Tax – Subtraction Modification – Donations to Diaper Banks and Other Charitable Entities

MACo Position: **OPPOSE**

To: Budget and Taxation Committee

Date: February 24, 2021

From: Kevin Kinnally

Tax Incentives and Local Government Autonomy

The swift and unprecedented shock of the COVID-19 public health crisis has wreaked havoc on the economy. As the focus shifts to restoring our state and local economies in a manner that is safe, equitable, and prosperous for all, counties are eager and committed partners in promoting economic growth and creating opportunity – we prefer local autonomy in determining the best way locally.

The Maryland Association of Counties (MACo) opposes state-mandated reductions in local revenue sources, but welcomes tools to grant counties options and flexibility to pursue their own parallel tax incentives, or to develop others to suit their local needs.

The General Assembly routinely considers proposals to change tax structures, often seeking to stimulate economic growth, encourage beneficial activities, or attract and retain residents. These proposals often are focused exclusively on the state’s tax structure, but sometimes extend to local revenues as well.

In general, MACo stands for local self-determination. Counties, led by their elected leaders who are directly accountable within the community, are in the best position to make decisions on local affairs – ranging from land use to budget priorities. MACo steadfastly guards this local autonomy, and frequently advocates against statewide solutions that mandate county compliance or otherwise override local decision-making.

Property taxes show the best collaborative way to enact targeted tax relief. The State and its local governments already work together here – where the State routinely grants a state-level tax credit, but then enables county governments to enact their own as a local option.

State proposals that involve local revenue sources can be enacted as “local option” offerings, to allow counties maximum flexibility to achieve local goals.

MACo urges the Committee to primarily consider state income tax credits as the best means to incorporate local tax relief as part of a broader policy. MACo and county governments hope the Committee finds these comments helpful. Counties stand ready to work with state policymakers to develop flexible and optional tools to create broad or targeted tax incentives, but resist state-mandated changes that preclude local input.

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Uploaded by: Graziano, Lauren

Position: INFO

DATE: February 25, 2021

BILL NUMBER: Senate Bill 622 **COMMITTEE:** Budget and Tax

BILL TITLE: Income Tax – Subtraction Modification – Donations to Diaper Banks and Other Charitable Entities

DHS POSITION: Letter of Information

The Department of Human Services (the Department) respectfully submits this letter of information, with amendments, regarding Senate Bill 622 (SB 622). SB 622 allows a subtraction under the Maryland income tax code for up to \$1,000 of donations of certain disposable diapers, certain hygiene products, and certain monetary gifts made by a taxpayer to certain qualified charitable entities.

As written, SB 622 would also require the Department to develop a registry to certify charitable organizations that are distributors of disposable diapers, hygiene products for infants and children, or feminine personal hygiene products. The creation of a registry carries an estimated fiscal impact of \$400,000 for design and development, and roughly \$150,000 every year thereafter to maintain.

The Department applauds the spirit of the bill, and supports incentives that may increase the availability of these costly, yet critical items. This is especially true in the COVID-19 landscape, when so many Marylander’s are struggling economically.

After discussion and collaboration with the bill sponsor, the Department understands that SB 622 can be implemented without agency oversight. In fact, the bill’s reference to DHS is a vestige of a previous version of the bill, which sought to provide taxpayers with a credit, instead of a subtraction. Since the bill has been adapted, it can fulfill its stated purpose without DHS involvement. The suggested amendment would remove the Department from the bill.

The Department appreciates the opportunity to share the aforementioned information regarding SB 622. The Department respectfully requests that this information be considered during the Committee’s deliberations.