



# POSITION STATEMENT

TESTIMONY PRESENTED TO THE SENATE FINANCE COMMITTEE

SENATE BILL 896 -- Workgroup on the COVID-19 Crisis Economic Recovery

Senator Rosapepe

March 10, 2021

DONALD C. FRY

PRESIDENT & CEO

GREATER BALTIMORE COMMITTEE

## Position: Support with Amendments

Senate Bill 896 establishes a Workgroup on the COVID-19 Crisis Economic Recovery. The workgroup's members would include five senators, five delegates, and the cabinet secretaries of the Departments of Labor, Commerce, Transportation, and Housing and Community Development. The workgroup would be charged with making recommendations regarding how the State may best cope with the economic challenges posed by the COVID-19 pandemic and in particular the economic effect of the pandemic on: telehealth; telework; online education, from kindergarten to graduate programs; unemployment compensation; tax system modernization; changes in real estate such as office space, retail, residential, rental and ownership, and community economic centers; rebuilding the public health system; and other impacts on public services. The bill allows the group to hire consultant services, and states that \$500,000 shall be appropriated for that purpose. The bill requires an interim report by December 31, 2021 and a final report by December 31, 2022.

The Greater Baltimore Committee (GBC) is in full support of the intent of Senate Bill 896, and recognizes the need to act to deal with the COVID-19 related economic crisis. The GBC has been actively involved in supporting businesses as they weather the ill effects of the pandemic, restrictions limiting business operations, and the resulting negative economic impact on the business. To address the challenges and to help businesses recover, the Greater Baltimore Committee created the GBC COVID-19 Business Recovery Advisory Council. The advisory council, comprised of business executive of Baltimore regional businesses, was formed to provide assistance, create programs, and make policy recommendations to benefit small and minority-owned businesses. The work of the GBC COVID-19 Business Recovery Advisory Council examined many of these issues and can serve as a model for State action on this subject.

## Proposed Amendments

The GBC recommends a number of amendments that would strengthen the proposed workgroup and its ability to help Maryland government agencies, businesses, and residents recover from this crisis. The amendments focus on two areas: Workgroup membership and the timeline for workgroup action and funding.

### Workgroup Membership

The charge of the workgroup covers a broad range of issues, including education, public health, unemployment compensation, business related issues such as unemployment compensation, the tax system, and real estate. The membership of the workgroup, however, does not fully represent these interests. The GBC believes an amendment is needed to alter or increase the membership of the workgroup to include the heads of all agencies related to the charge of the Workgroup.

With two health related charges, and an education related charge that relates to pre-K through higher education, it would be prudent to include the State Superintendent of Schools, the Secretary of Higher Education, and the Secretary of Health.

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In addition, representatives of the business community should be added to the Workgroup. While cabinet secretaries deal with the issues involved in their subject areas, they are not able to fully represent the interests of actual businesses. The GBC proposed adding four members representing business organizations.

### **Workgroup Charge**

The GBC recommends adding several topic areas to the charge of the workgroup. First, childcare challenges are a major issue for Maryland's businesses and families, and we recommend including it in the list of areas to examine.

In addition, despite the inclusion of the Secretary of Transportation on the workgroup, there are no transportation issues listed specifically in the workgroup charge. The GBC recommends including an examination of commuting pattern changes, access to employment, and economic challenges resulting from inadequate transportation options for many Marylanders.

### **Workgroup Timeline and Funding**

The GBC is concerned with several issues related to the timeline for the Workgroup. The first relates to the \$500,000 appropriation for a consultant. The bill does not require the Governor to include that funding in the budget, so it is unclear if the money would actually be available to pay a consultant. In addition, even if the funds were appropriated, it is unlikely to happen prior to the Fiscal 2023 budget. If the funds are not available until July 1, 2022, it is doubtful that a consultant could complete its work prior to the December 31, 2022 deadline. The GBC is also concerned that the call for a final report in December of 2022 may be too late to help the countless Maryland businesses and families struggling to survive the COVID-19 economic crisis.

This bill is consistent with the GBC's Legislative Priorities for 2021, which include a call to advocate for policy, funding, and regulatory solutions to accelerate economic recovery with an emphasis on support for small and minority-owned businesses.

### **For these reasons, the Greater Baltimore Committee urges a favorable report with the addition of the proposed amendments on Senate Bill 896.**

*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.*