

Testimony SUPPORT with Amendment of Senate Bill 133
Local Tax Relief for Working Families Act of 2021

House Ways and Means Committee
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Government Relations

The Maryland State Education Association supports SB 133, as originally introduced, which would give counties the authority to create a progressive structure in the local income tax. MSEA urges the Committee to amend the bill back to its original intent and allow local governments to increase the top local tax rate to 3.5% from 3.2%. The bill could help local governments create a fairer tax structure and raise needed revenue to implement the new school funding formula our students and schools need.

MSEA represents 75,000 educators and school employees who work in Maryland's public schools, teaching and preparing our 896,837 students for careers and jobs of the future. MSEA also represents 39 local affiliates in every county across the state of Maryland, and our parent affiliate is the 3 million-member National Education Association (NEA).

SB 133, with the amendment to restore the original language and allow counties to increase the top tax rate, would give counties additional flexibility to set taxing policy that works for their communities. This enabling legislation gives local leaders another tool when crafting local tax policy and could help raise additional funds for priorities like public education.

MSEA supports passage of an adequate, sustainable, predictable revenue stream that will adequately fund both the operating and construction costs of our public schools. A great public school for every child means our students have updated technology, small manageable classes, safe and modern schools, proper healthcare and nutrition, and have highly qualified and highly effective educators.

The Blueprint for Maryland's Future will require that the state and county governments to invest substantially more resources into education for our citizens become truly successful in the very competitive national and global economies. And schools will need even more funding to make up for the academic and social-emotional impacts of the COVID-19 pandemic. Senate Bill 133 can be part of that funding solution for locals, if amended.

MSEA urges a Favorable Report with Amendment on Senate Bill 133.