



# POSITION STATEMENT

TESTIMONY PRESENTED TO THE HOUSE WAYS & MEANS COMMITTEE

## HOUSE BILL 143 – MARYLAND CHILD TAX CREDIT

Sponsor – Delegate Palakovich Carr

January 14, 2021

**DONALD C. FRY**  
**PRESIDENT & CEO**  
**GREATER BALTIMORE COMMITTEE**

### **Position: Support**

The Greater Baltimore Committee (GBC) supports House Bill 143, which would create a State Child Care Tax Credit. This tax credit would apply to individuals who earn less than \$6,000 per year and would provide a \$500 tax credit for each child under 6 or child with a disability under 17. According to fiscal and policy analysis provided by the Department of Legislative Services (2019), this credit would impact approximately 34,000 children in Maryland families. House Bill 143 would create a State counterpart to the federal child tax credit and would guarantee that eligible filers receive a state and federal child tax credit of \$500 per eligible child. Unlike the federal credit, the state credit would not exclude children in families with the lowest incomes (under \$2,500) or children who do not have a social security number.

The GBC supports efforts to enhance the availability and affordability of high quality child care. While the issue of the accessibility and affordability of high quality child care has long been an issue of significant concern, the COVID-19 pandemic has elevated this challenge and the substantial impact that the lack of child care poses on workforce participation, particularly for women and lower income families. The GBC has identified the availability and affordability of high quality child care as an essential element to ensure economic recovery from the COVID-19 pandemic, particularly among women, minority groups, and lower income residents. Business leaders have repeatedly highlighted the impact that the lack of child care is having on their workforce and have urged bold and prioritized action on this issue.

House Bill 143 is consistent with the Greater Baltimore Committee's 2021 Legislative Priorities which calls for targeted policy or funding innovations in child care to address immediate shortage and create long-term solutions.

### **For these reasons, the Greater Baltimore Committee urges a favorable report on House Bill 143.**

*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.*

**GREATER BALTIMORE COMMITTEE**

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