

NFIB-Maryland – 60 West St., Suite 101 – Annapolis, MD 21401 – www.NFIB.com/Maryland

TO: Senate Budget and Taxation Committee

FROM: NFIB - Maryland

DATE: March 15, 2022

RE: SUPPORT SENATE BILL 1010 – Motor Fuel Taxes – Tax-Free Period

Founded in 1943, NFIB is the voice of small business, advocating on behalf of America's small and independent business owners, both in Washington, D.C., and in all 50 state capitals. With more than 250,000 members nationwide, and nearly 4,000 here in Maryland, we work to protect and promote the ability of our members to grow and operate their business.

On behalf of Maryland's small businesses, NFIB supports House Bill 1010 – legislation that institute a 30-day suspension of the state's motor fuel tax.

Maryland received more than \$7 billion in federal infrastructure funding earlier this year. That should more than offset any potential losses to the state's Transportation Trust Fund from a gas tax holiday. For many small businesses, the ever-increasing costs of materials and labor as they try to recover from the pandemic is unsustainable.

According to the NFIB Research Foundation's February <u>Small Business Economic Trend Report</u>, 68 percent of small business owners have had to raise prices due to increased costs in materials and labor. Additionally, owners citing inflation as their most important business problem increased to 26 percent, the highest level since the third quarter of 1981.

With last week's news from the Bureau of Revenue Estimates that Maryland is projecting an increase of \$1.6 billion to its current budget surplus and federal money to backfill lost dollars, there is no reason not to provide this relief.

For these reasons, **NFIB supports SB1010**. This bill is a positive step in helping small businesses to fight back against rising prices. NFIB-Maryland requests a favorable committee report.