



UPMC Western Maryland

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February 21, 2022

The Honorable Guy Guzzone, Chair
Senate Budget and Taxation Committee
3 West
Miller Senate Office Building
Annapolis, MD 21401

Re: SB 675 – Property and Income Taxes – Credits for Construction and Purchase of Housing in Western Maryland

Dear Chairman Guzzone:

The purpose of this letter is to express UPMC Western Maryland's support of the abovementioned legislation, which is aimed at incentivizing and encouraging the construction of new homes in western Maryland. I also want to thank Senators Edwards and Corderman for sponsoring this legislation as part of their ongoing commitment to improving the economy in our rural region.

At one time our hospital, formerly the Western Maryland Health System, was one of several major employers in Allegany County. Today, we are the largest employer with nearly 2,100 employees, and, unfortunately, we are one of only two large employers (1,000 or more employees) remaining in the county. During my 32-year career, I have witnessed the negative impacts resulting from the closures of Kelly-Springfield Tire Company, PPG Industries, Biederlack blanket company, Bayliner boat company and, most recently in 2019, the Verso paper mill. These closures have resulted in the loss of thousands of good-paying jobs in Allegany County. The loss of these good-paying jobs has had a significant, negative impact on our local economy, including the housing market.

In 2020, our hospital integrated with the University of Pittsburgh Medical Center, a world-renowned health care provider and insurer. This integration has benefitted our hospital in numerous ways, including physician recruitment; however, it is still often difficult to attract and retain physicians and other health care professionals because of our location in a rural, economically depressed area. The lack of newly constructed homes and modern housing developments makes it even more challenging to attract health care professionals to our hospital.

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The proposed legislation creates incentives for individuals, as well as developers, to construct new homes in Allegany County, Garrett and Washington counties. The construction of these new homes will help to bolster our local economy in numerous ways—including the creation of construction jobs, the purchase of building materials from local retailers, and the creation of new property tax revenue. The positive impact resulting from this new residential construction will be far-reaching, bringing benefits to families, businesses and services throughout our community for years to come.

For these reasons, I respectfully request that the Senate Budget and Taxation Committee give a **favorable report** to SB 675. Thank you.

Sincerely,



Michele R. Martz

President

cc: B&T Committee Members

Senator George Edwards

Delegate Wendell Beitzel

Delegate Jason Buckel

Delegate Mike McKay

Nicole Fedeli, UPMC

JR Reith, RWL