

TESTIMONY OF COMPTROLLER PETER FRANCHOT
Support - House Bill 1444 - Income Tax Credit - Endowments of Maryland
Historically Black Colleges - Sunset Repeal
Ways and Means Committee
March 15, 2022

Chair Atterbeary, Vice Chairman Washington, and members of the Committee, it is my pleasure to provide testimony in **support of House Bill 1444 - Income Tax Credit - Endowments of Maryland Historically Black Colleges - Sunset Repeal**. I would like to thank Delegates Jheanelle Wilkins, Wanika Fisher and Jazz Lewis for sponsoring this important legislation, and the Committee for providing the opportunity for my testimony to be heard.

As a long-time advocate for adequate funding of Historically Black Colleges and Universities (HBCUs), I am proud to support this legislation that would provide individuals and businesses who donate to an HBCU's endowment fund a permanent income tax credit to match the amount they contribute to these fine institutions.

Why is this bill important? If passed, this bill permanently incentivizes individuals and businesses to donate to HBCU endowment funds by ensuring they will receive a state tax credit for doing so. Since the inception of the HBCU Tax Credit Program in 2019, the total credits for donations to HBCU's have been \$121,497.47. Specifically, Bowie State University received \$12,580.75, Coppin State University \$41,386.32, Morgan State University \$64,665.98, and University of Maryland, Eastern Shore \$2,764.42. To date, 100 certification applications have been processed and approved, with 95 donations coming from individuals and five donations from businesses.

HBCU's have been historically underrepresented and underfunded compared to other institutions. That fact makes it even more crucial that we support opportunities whenever they present themselves to provide our HBCUs and the taxpayers who support them. The Comptroller's Office can continue to administer these tax credits with no administrative challenges, and I am pleased that this bill supports the priorities of both our HBCUs and taxpayers.

For the reasons stated above, I respectfully request a favorable report for House Bill 1444. Thank you for your time and consideration.

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