

**Testimony in SUPPORT of House Bill 457
Corporate Income Tax – Throwback Rule and Combined Reporting**

**House Ways & Means Committee
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The Maryland State Education Association supports House Bill 457, which enacts combined reporting and ends corporate “nowhere income”.

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).

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 outlines improvements to access to Pre-K and Career Technology Education, as well as expansion of the educator workforce and increased salaries to help deliver individualized instruction and recruit and retain the best workforce in the country.

Implementing the Blueprint for Maryland’s Future with fidelity and making up for the learning loss, and social-emotional and behavioral health impacts of the COVID-19 pandemic will take considerable resources. Thanks to the tough decisions this committee has made in the past, the Blueprint’s state contributions are funded into FY27. The estimated \$200 million per year generated from the implementation of this bill would go a long way in helping fund the Blueprint in the out-years and ensuring Maryland’s public schools meet our expectations. HB 457 is part of that funding solution.

MSEA urges a Favorable Report on House Bill 457