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BILL NO.: HB 551

TITLE: Broadband Expansion Incentive Act of 2023

SPONSOR: The Speaker

COMMITTEE: Ways and Means

POSITION: SUPPORT

DATE: February 16, 2023

Baltimore County **SUPPORTS** House Bill 551 – Broadband Expansion Incentive Act of 2023. This legislation would allow a subtraction modification under the Maryland income tax for qualified broadband grants.

For rural communities and communities that have historically faced underinvestment, the expansion of broadband provides critical tools for access to education, health services and employment opportunities. During the COVID-19 pandemic, Baltimore County moved swiftly to provide free wifi access to students and families across the County, however, many are still left with few fast, inexpensive options to access vital internet resources. In response, Baltimore County has partnered with Comcast on two projects that are anticipated to bring broadband to approximately 1,800 new residences.

House Bill 551 will further incentivize and assist partners seeking to expand broadband services by exempting qualified broadband grants from the Maryland income tax, and related equipment from sales and use tax. This ensures that 100% of the funds deployed for broadband expansion will be used towards that purpose.

Accordingly, Baltimore County requests a **FAVORABLE** report on HB 551. For more information, please contact Jenn Aiosa, Director of Government Affairs at jaiosa@baltimorecountymd.gov.