



MARYLAND STATE & D.C. AFL-CIO

AFFILIATED WITH NATIONAL AFL-CIO

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President

Donna S. Edwards

Secretary-Treasurer

Gerald W. Jackson

HB 2 – Income Tax - Subtraction Modification - Union Dues

House Ways and Means Committee

January 24, 2023

SUPPORT

**Donna S. Edwards
President**

Maryland State and DC AFL-CIO

Madam Chair and members of the Committee, thank you for the opportunity to submit testimony in strong support of HB 2 – Income Tax - Subtraction Modification - Union Dues. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 340,000 union members, I offer the following comments.

HB 2 brings a subtraction modification back for union dues, for state income tax calculation. Unionized workers are our public servants. They are our transportation workers, social workers, nurses, paraprofessionals, skilled construction workers, educators, and public safety workers. Changes in the federal tax system with the passage of the Tax Cuts and Jobs Act of 2017, eliminated union dues as an itemized deduction for miscellaneous expenses. Because of Maryland's tax laws, union members cannot itemize an expense for State income tax purposes if the expense cannot be claimed as a federal itemized deduction. Therefore, union members in Maryland have taken a double hit; first by the Federal government, and then by the State of Maryland.

This is not an attempt to gain some new benefit for union workers, but a bill to reinstate what we already had. When we can help mitigate the damages done by the Federal government, we should. HB 2 will allow for a subtraction modification of union dues (subtracted from federal adjusted gross income), at the State level reversing, in part, the damage done by the Tax Cuts and Jobs Act of 2017.

This bill passed both Chambers in 2022 and was vetoed. It was sound policy then and is sound policy now.

For these reasons we ask for a favorable report on HB 2.



Official Testimony: **HB 0002**
Income Tax – Subtraction Modification – Union Dues
Position: **FAVORABLE**

Dear Chair Atterbeary and Members of the Ways & Means Committee,

My name is Ricarra Jones, and I am the Political Director of 1199SEIU United Healthcare Workers East. We are the largest healthcare workers union in the nation – representing 10,000 healthcare workers in long-term care facilities and hospitals across Maryland. Our union supports HB0002: Income Tax – Subtraction Modification – Union Dues and urge the Committee to issue a favorable report.

Joining a union should be without barriers and for workers experiencing low wages and other financial hardships, this legislation would provide a fairer tax structure. This bill would allow union members, many of whom are also essential workers, the ability to deduct their union dues from their Maryland state taxes. This would decrease the financial concern that some workers have about joining a union and therefore allow more workers to have their rights and concerns properly represented without fear of backlash.

For 1199SEIU members, this bill is important because for direct care workers who are often understaffed and underpaid, unionization is an important tool to address job quality, wages, and quality of care. The Journal of Public Health published research last year that unionization and protecting direct care workers' right to collectively bargain has deep implications for patients and health workforce stability¹. When our tax structure incentivizes unionization, workers are protected, employers have a reliable workforce, and it benefits everyone who relies on workers for care and service.

The members of 1199SEIU stand behind this piece of legislation because it removes a possible financial barrier that some workers may find to be the only reason that they don't join a union. When the voices of worker shortages are occurring in every field of the workforce and where employees without unions have little to no power to voice their concerns, we encourage this Committee to give HB 0002 a favorable report.

Sincerely,

Ricarra Jones
Political Director of 1199 SEIU United Healthcare Workers East
ricarra.jones@1199.org

¹ anette Dill, Jill Tanem, "Gender, Race/Ethnicity, and Unionization in Direct Care Occupations", *American Journal of Public Health* 112, no. 11 (November 1, 2022): pp. 1676-1684.

<https://doi.org/10.2105/AJPH.2022.307022>



***Musicians' Association of
Metropolitan Baltimore***

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Michael Decker
President

Mary C. Plaine
Secretary-Treasurer

January 19, 2023

**TESTIMONY IN SUPPORT OF HB 002
Union Dues and Expenses to Influence Collective Bargaining
January 24, 2023**

TO: Hon. Vanessa Atterbeary, Chair, and Members of the House Ways and Means Committee

FROM: Mary C. Plaine, Secretary-Treasurer, Musicians' Association of Metropolitan Baltimore, Local 40-543, American Federation of Musicians

Along with our sisters and brothers in the Maryland State AFL-CIO, the Musicians' Association of Metropolitan Baltimore supports HB 002 and asks that the House Ways and Means Committee votes to support this bill and send it on to the full chamber for passage.

HB 002 would allow union members to deduct their union dues from Maryland state taxes, and it would prevent businesses from deducting union busting costs as business expenses on their Maryland taxes, which businesses are currently allowed to do. Union membership is the bedrock of the middle class in the United States. Maryland should not give businesses an unfair financial advantage over employees who want to exercise their right to belong to a union and deduct their union dues from state taxes.

AFM Local 40-543 urges the members of the House Ways and Means Committee to vote FAVORABLY on House Bill 002.

Sincerely,

Mary C. Plaine
Secretary-Treasurer



190 West Ostend St., #201
Baltimore, MD 21230
Phone: 410.547.1515
Fax: 410.837.5436

Patrick Moran - President

HB 2 – Income Tax – Modification Union Dues POSITION: SUPPORT

AFSCME Council 3 represents 30,000 state and higher education employees across Maryland. We support HB 2.

This legislation provides a subtraction modification of union dues (from the federal adjusted gross income) for the state income tax calculation. Union dues are an essential expense for workers in their pursuit of fair wages and job security, and Maryland workers should be able to deduct them on their tax returns. Unions help ensure that American workers have decent pay and benefits as well as a voice at work. Allowing union members this tax credit restores some fairness to balance anti-worker actions which have made organizing and forming a union very difficult.

A basic principle of income taxation is that taxpayers should be able to deduct the costs of earning their income. HB 2 achieves this by returning the union dues deduction workers had prior to Congress passing the Tax Cuts and Jobs of 2017.

For these reasons, we ask for a favorable report on HB 2.

Every AFSCME Maryland State and University contract guarantees a right to union representation. An employee has the right to a union representative if requested by the employee.
800.492.1996

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TESTIMONY IN SUPPORT OF HB 2

Income Tax - Subtraction Modification - Union Dues

January 24th, 2022

TO: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee.

From: Mr. Warren Randall Pointer of AFSCME Local 1072 Shop Steward and Recording Secretary for the Executive Board. Electronics Technician III of the University of Maryland Robert H. Smith School of Business

Dear Ms. Atterbeary:

I am writing you today to voice my strong support for HB 2. It is my understanding that this bill affects Union members and provides a subtraction modification for Union dues on their state taxes.

Last year, this bill passed the House and Senate in the form that it is currently written today. It was vetoed by Governor Hogan. Businesses can deduct their union busting activities off their taxes and it is only fair that union members get similar treatment on their taxes.

On January 24th, HB 2 will have a hearing in the House Ways and Means Committee at 1PM. I implore you and the members of this committee vote yes on this bill and help give the hard working employees of this great state the dignity and respect that they deserve.



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John P. Westmoreland
South St. Paul, MN

**HB2 – Income Tax -Modification Union Dues
Ways and Means Committee
January 24th, 2023
SUPPORT**

AFSCME Council 3, Council 67 and Ace-AFSCME Local 2250 representing over 50,000 state, county, and municipal employees stand in of supports HB 2.

This bill creates a tax credit against the State income tax for an individual who pays specified agency shop fees and union dues. The value of the credit is equal to the eligible fees and dues paid multiplied by the sum of the marginal State income tax rate and county income tax rate imposed on the individual. If the amount of the credit exceeds the tax liability imposed in the year, the taxpayer can claim a refund in the amount of the excess.

Prior to tax year 2018, a taxpayer who elected to itemize deductions could deduct certain miscellaneous expenses. Unreimbursed employee expenses, including specified union dues and expenses, qualified for the deduction. Qualified union dues and expenses included union membership dues and initiation and certain assessments for benefit payments to unemployed union members.

In 2017 the federal Tax Cuts and Jobs Act of 2017 was signed into law on December 22, 2017, and enacted significant changes to federal taxes, including the personal income tax. Although the Act reduced personal income taxes overall, several provisions reduce or eliminate several existing income tax benefits, including the elimination of the miscellaneous expense’s deduction in tax years 2018 through 2025. Given the Act eliminated the deduction, an individual may not deduct union dues and expenses in these tax years. Because state law dictates that we follow federal law on itemized tax credits, it effectively eliminated the State tax credit for union dues, as well in Maryland.

The Comptroller’s Office reports that it will incur a one-time general fund expenditure increase of \$55,000 in fiscal 2020 to add the tax credit to personal income tax forms. This includes data processing changes to the SMART income tax return processing and imaging systems and systems testing.

In today’s economy, corporations are thriving, bringing in record profits to their organizations and shareholders, while the average American is still making less. In past years, Congress have passed tax bills to aid corporations and the 1% while average working Americans. By passing this income tax credit for working families, you can balance this inequity, and provide further assistance for those whom need it the most.

For these reasons, we ask for a **FAVORABLE** report on HB 2.

**Written Testimony Submitted to the
Maryland House Ways and Means Committee
HB 2 – Income Tax - Subtraction Modification - Union Dues
January 24, 2023**

SUPPORT

Chair Atterbeary and members of the committee, on behalf of the American Federation of Teachers - Maryland (AFT-Maryland), which represents more than 20,000 educators, government, and healthcare workers across Maryland, I urge you to support HB 2.

To quote Senator Bob Casey, “Unions provide a path to the middle class for working people by increasing their income and the economic security of their families. To this end, it's important that we do all we can to empower workers to organize, not make it harder.”

Unionized workers are our communities' teachers, police officers, firefighters, utility workers, and construction crews. These members pay their union dues to not only cover the costs of negotiations and grievances, but to support many other services.

Local unions provide free apprenticeships, continuing education, safety training, and funding for college scholarships for members and their families. They finance research for savings on benefits and other means to save employers money. In addition, labor unions support the community by such things as donating to United Way, holding benefits, and sponsoring events for local charities and little league sports.

The federal Tax Cuts and Jobs Act (TCJA) eliminated the itemized deduction for many workers' expenses, including union dues. American workers have lost numerous tax deductions including the deduction for uniforms required in specialized professions. While businesses can write off anti-union activity.

We need more means to encourage union memberships – making union dues tax deductible is one way we can help achieve this. New hires will be encouraged to join their unions and all its benefits and be told that their dues will not be taxed at the state level because Maryland supports its workers and their unions.

Maryland should recognize all that the funds from union dues provide for its citizens and the community. We ask this committee for a favorable report on HB 2. Thank you.



**Testimony in Support of HB 2
Income Tax - Subtraction Modification - Union Dues
House Ways and Means Committee**

January 24, 2023

TO: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee

FROM: Carol Rosenblatt, President, MD/DC Alliance for Retired Americans

We seek your support of HB 2. The MD/DC Alliance for Retired Americans is a grassroots advocacy organization with more than 96,000 members. It is part of the Alliance for Retired Americans, which was founded in 2001 by the AFL -CIO and has 4.4 million members nationwide. Our members come from all walks of life and are united in the belief that everyone deserves a secure retirement after a lifetime of hard work. The MD/DC Alliance works closely with the labor movement and other grassroots organizations to build a more just and secure future for all Americans. We have retired members in our chapter from a large number of unions and allied organizations including the American Federation of State, County and Municipal Employees; the International Brotherhood of Electrical Workers; the United Auto Workers; the International Association of Machinists and Aerospace Workers; the Communications Workers of America; Service Employees International Union; International Brotherhood of Teamsters and National Active and Retired Federal Employees to name a sampling.

I am currently a retired member from the American Federation of State, County and Municipal Employees, but have also been a member of Service Employees International Union and Communications Workers of America.

We seek your support. The ability to take deductions for union dues would be of financial assistance to our members. HB 2 would allow for a subtraction modification of union dues (subtracted from federal adjusted gross income), at the State level, therefore lessening the tax burden for Maryland's union members, and, ultimately, reversing, in part, the damage done by the Tax Cuts and Jobs Act of 2017.

We seek your support for a clean bill that does not permit businesses to deduct "union busting" expenses that flies in the face of the ability of allowing employees to have a voice at work.

Thank you for your consideration.



Statement of the Amalgamated Transit Union (ATU) Local 689

HB 2 – Income Tax - Subtraction Modification - Union Dues

January 24th, 2023

TO: The Honorable Vanessa E. Atterbeary and Members of the House Ways and Means Committee
FROM: Matthew Girardi, Political & Communications Organizer, ATU Local 689

ATU Local 689 strongly supports HB 2 – Income Tax - Subtraction Modification - Union Dues and urges the House Ways and Means Committee to issue a favorable report. We believe that it is fundamentally a measure about equitable taxation for the normal and routine expenses of working people.

At the Amalgamated Transit Union Local 689, we represent over 15,000 transit workers and retirees throughout the Washington DC Metro Area performing many skilled transportation crafts for the Washington Metropolitan Area Transit Authority (WMATA), MetroAccess, DASH, and DC Streetcar among others. Our union helped turn low-wage, exploitative transit jobs into transit careers. We became an engine for the middle-class of this region.

Unions like ours are proud of our role in bringing workers into the middle class and fighting with the heroes that are the backbone of our economy for the wages, benefits, and power they so thoroughly deserve. However, the organized labor movement has been under sustained and systemic assault for decades. Most recently, the damage done by the Federal government's 2017 Tax Cuts and Jobs Act was real and effectively double-hit Maryland union members.

In order to revitalize the labor movement and return power to working people in Maryland, ATU Local 689 strongly encourages efforts like HB2. This measure begins to tip the balance back in favor of working people and provides equitable taxation of what should be a routine and normal expense.

We thank Delegate Lewis for continuing to fight for this important measure and urge the committee to issue a favorable report.



Amalgamated Transit Union

LOCAL 1300

126 WEST 25TH STREET • BALTIMORE, MARYLAND 21218

Affiliated with AFL-CIO-CLC

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Testimony in Support of House Bill 0002

MICHAEL McMILLAN
President / Business Agent

LARRY DUNHAM
Vice President

STEVE GLASSCHO
Financial Secretary-Treasurer

ROBIN WARD
Recording Secretary

DEVIN CLINTON
Assistant B.A. Non-OP

EXECUTIVE BOARD MEMBERS

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Northwest Shop

MATTHEW McLAUGHLIN
Bush Main Shop

Income Tax-Subtraction Modification – Union Dues Ways and Means Committee

January 24, 2023

To: Hon. Vanessa Atterbeary, Chair, and members of the House and Ways and Means Committee

I am Michael McMillan President/Business Agent for Amalgamated Transit Union Local 1300. I am a strong support of House Bill 0002 Income Tax Subtraction Modification Union Dues. Representing over 3000 taxpaying and union dues paying members, this bill would help add to our income and give encouragement to our members to continue to support the labor movement. In our effort to continue to fight for increased wages, good affordable healthcare, staying above the poverty line, and fighting to stay in the middle class. Our labor unions depend on union dues to support that effort. House Bill 0002 would help put dollars back into the pockets of our dues paying members who continue to help build and grow our economy. I support House Bill 0002 and ask that the Ways and Means Committee Vote Favorably on it.

Michael McMillan
President / Business Agent
ATU LOCAL 1300
Mmcmillan@atulocal1300.org
410-889-3566 Fax# 410-243-5541



Maryland House of Delegates - Ways and Means Committee

Chair: Vanessa E. Atterbeary
Vice Chair: Alonzo T. Washington

House Bill 0002 - Income Tax - Subtraction Modification - Union Dues

Position: Support

- Electrical Workers
- Insulators
- Boilermakers
- United Association
- Roofers
- Cement Masons
- Teamsters
- Laborers
- Bricklayers
- Ironworkers
- Sheet Metal Workers
- Elevator Constructors
- Painters
- Operating Engineers
- Carpenters

The Baltimore DC Metro Building Trades Council supports HB 0002. Union dues may be used to support a wide variety of programs or activities, including paying the salaries and benefits of union leaders and staff; union governance and legal representation. Union dues are the way workers who have decided to form a union pool their resources to enable the work of the union. Union dues fund the cost of bargaining, the cost of enforcing the collective agreement, and the cost of organizing campaigns union members instruct their union to conduct. Federal Tax reform changed the rules of union dues deductions. For tax years 2018 through 2025, union dues –and all employee expenses –are no longer deductible, even if the employee can itemize deductions. However, if the taxpayer is self-employed and pays union dues, those dues are deductible as a business expense and with the passage of House Bill 0002 Maryland’s essential hard working Union members will be able to do the same

We urge the Committee for a favorable report. Thank you.

Sincerely,

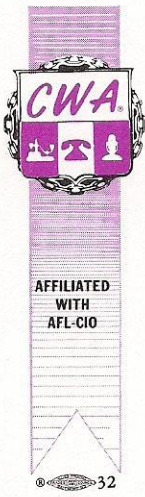
Jeffry Guido

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COMMUNICATIONS WORKERS OF AMERICA

LOCAL 2100

BOX F CHASE, MARYLAND 21027 • (410) 335-2100

January 18, 2023

**TESTIMONY IN SUPPORT OF HB 2
Income Tax – Subtraction Modification – Union Dues
January 24, 2023**

TO: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee
FROM: Nick Riddle, President CWA Local 2100

Madam Chair and members of the Committee, thank you for the opportunity to submit testimony in support of HB 2 – Income Tax – Subtraction Modification – Union Dues. My name is Nick Riddle and I am the President of CWA Local 2100. On behalf of the 800 union members, I offer the following comments.

The workers represented here are essential workers that kept our state operational during the COVID-19 pandemic. Members of this local installed and maintained the communications network that enabled so many to work from home or the attend school during this most challenging time. They also enabled CCBC to shift rapidly to online operations. The passage of the Tax Cuts and Jobs Act of 2017, eliminated union dues as an itemized deduction for miscellaneous expenses. Under Maryland's tax laws, union members cannot itemize an expense if the expense cannot be claimed as a Federal itemized deduction. This has created a negative impact on union members in Maryland at both the Federal and State level.

HB 2 enables us to lessen the damage done by the Tax Cuts and Jobs Act of 2017 and the Federal government. Allowing for a subtraction and modification of union dues at the State level will ultimately lessen the tax burden on Maryland's union members.

For these reasons we ask for a favorable report on HB 2.

HB 2 – Union Dues and Expenses to Influence Collective Bargaining

House Ways and Means Committee

January 24, 2023

SUPPORT

Edward F. Miller

The CWA Engineering Assistant

IBEW Journeyman Wireman

Madam Chair and members of the Committee, thank you for the opportunity to submit testimony in support of HB 2 – Union Dues and Expenses to Influence Collective Bargaining. My name is Eddie Miller and I am a worker bee. I am a member of The Communications Workers of America and The International Brotherhood of Electrical Workers. I offer the following comments.

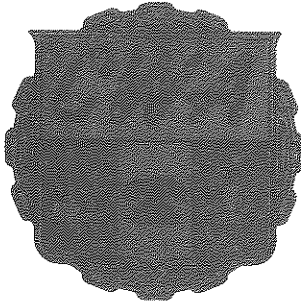
HB 2 brings a subtraction modification back for union dues, for state income tax calculation. Unionized workers are our teachers, firefighters, and our police and corrections officers. They are our transportation workers, social workers, nurses, paraprofessionals, skilled construction workers, and the essential workers that have kept our state afloat during the COVID-19 pandemic. Changes in the federal tax system with the passage of the Tax Cuts and Jobs Act of 2017, eliminated union dues as an itemized deduction for miscellaneous expenses. Because of Maryland's tax laws, union members cannot itemize an expense for State income tax purposes if the expense cannot be claimed as a federal itemized deduction. Therefore, union members in Maryland have taken a double hit; first by the Federal government, and then by the State of Maryland. When we can help mitigate the damages done by the Federal government, we should. HB 2 will allow for a subtraction modification of union dues (subtracted from federal adjusted gross income), at the State level, therefore lessening the tax burden for Maryland's union members, and, ultimately, reversing, in part, the damage done by the Tax Cuts and Jobs Act of 2017. I pay two different Union Dues. For these reasons we ask for a favorable report on HB 2.

Thank you,

Eddie Miller

219 Nichols Manor Drive

Stevensville Md 21666



CWA MARYLAND STATE COUNCIL
“EFFECTING CHANGE THROUGH POLITICAL ACTION”

Testimony in Support of HB 2
Income Tax – Subtraction Modification – Union Dues
January 24, 2023

To: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee
From: Shannon Opfer, President CWA MD State Council, President CWA Local 2107

Chair Atterbeary and members of the Ways and Means Committee,

Union members are the back bone of the middle class. Everything we do supports our state and economy, whether it is shopping here in Maryland or being a part of new construction making Maryland better.

The Tax Relief bill passed by Congress in 2018 eliminated the ability to deduct Union dues from our Federal tax returns. This may not seem like a huge impact, but for many families it will be.

HB 2 will allow members to deduct their dues from their Maryland tax return, making sure we do not suffer from the “tax relief” bill. Every penny makes a huge difference to working families.

Maryland has always been on the side of working families and this is a chance to prove that yet again.

CWA is in **STRONG SUPPORT** of this bill. We ask that the committee votes favorably on it.

Thank you,
Shannon Opfer
President CWA MD State Council
President CWA Local 2107

Communications
Workers of America
AFL-CIO, CLC
District 2-13

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Lanham, MD 20706
Phone: 301-429-2500
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TESTIMONY IN SUPPORT OF HB 2

Income Tax – Subtraction Modification – Union Dues

January 24, 2023

STRONG SUPPORT

To: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee

FROM: Lisa Fazzini, Communications Workers of America Staff Representative

HB 2 brings back a subtraction modification for union dues, for state income tax calculations. To the over 4,000 CWA members who live and work in Maryland, and perform work in telecommunications, newspapers, television, and data analysis, this would be a welcome change. Changes in the federal tax system with the passage of the Tax Cuts and Jobs Act of 2017 eliminated union dues as an itemized deduction for miscellaneous expenses. Because of Maryland's tax laws, union members cannot itemize an expense for State income purposes if the expense cannot be claimed as a federal itemized deduction. Therefore, union members in Maryland have taken a double hit; first by the federal government, and then by the State of Maryland.

This is an opportunity in our state to help mitigate what the Federal government set in motion. In a time when inflation remains at an all-time high and household expenses are on the rise due to sharp increases in groceries and utilities, HB 2 would help lessen the tax burden for not only CWA members in Maryland but all union members who add to the economy and help the state of Maryland run.

For these reasons CWA voices strong support for the passage of HB 2.



Eastern Atlantic States
REGIONAL COUNCIL OF CARPENTERS

801 West Patapsco Avenue, Baltimore, MD 21230 | Phone: 443-915-0462 | EASCARPENTERS.ORG

TESTIMONY

HB2: INCOME TAX - SUBTRACTION MODIFICATION - UNION DUES

POSITION: FAVORABLE

Dear Chair Atterbeary and honorable members of the House Ways and Means Committee:

On behalf of the Eastern Atlantic Regional Council of Carpenters (EASRCC), our 41,000 skilled construction workers and apprentices in Delaware, New Jersey, Pennsylvania, Virginia, West Virginia, District of Columbia, Puerto Rico, North Carolina and some 3,000 carpenters right here in the State of Maryland, I write today in strong support of HB2, as we have on this important legislation in prior years.

This legislation's time has come.

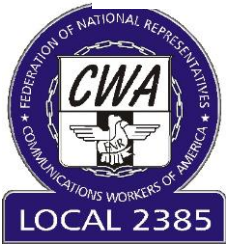
House Bill 2 seeks to assist hard working women and men deduct a portion of their union organizing dues, just as many employment and career costs are currently deductible under Maryland tax law. This legislation is a fair and common sense step in leveling the playing field for hard-working middle-class Marylanders who have been continue to be disadvantaged by a tax system that proportionally favors higher earning individuals and corporations.

For these reasons, we respectfully request a favorable committee report on HB2.

Sincerely,

Mungu Sanchez
Deputy Political Director

Federation of National Representatives – Communication Workers of America Local 2385



HB 0002 – Union Dues and Expenses to Influence Collective Bargaining House Ways and Means Committee January 20, 2023

Tina House Latiker
Local President

Patricia “Patty” Leonard
Vice President

Karina Quintana
Secretary-Treasurer

Theresa Impink
Area Representative - East

Deborah Leach
Area Representative – West

SUPPORT

Tina House Latiker
President
FNR-CWA Local 2385

Madam Chair and members of the Committee, thank you for the opportunity to submit testimony in support of HB 0002 – Union Dues and Expenses to Influence Collective Bargaining. My name is Tina House Latiker, and I am the President of FNR-CWA Local 2385, representing union members in the state Maryland, District of Columbia and throughout the United States. On behalf of our 100 members, I offer the following comments:

HB 0002 brings a subtraction modification back for union dues, for state income tax calculation. Unionized workers national representatives, national organizers, nurses, teachers, paraprofessionals, police officers, firefighters, social workers, skilled construction workers, as well as the essential workers that have kept (and still keeping) our Country afloat during the COVID-19 pandemic and aftermath. Changes in the federal tax system with the passage of the Tax Cuts and Jobs Act of 2017, eliminated union dues as an itemized deduction for miscellaneous expenses. Due to the States tax laws, union members cannot itemize an expense for State income tax purposes if the expense cannot be claimed as a federal itemized deduction. Therefore, union members have taken a double hit; first by the Federal Government, and then by the State.

When we can help mitigate the damages done by the Federal government, we should. HB 0002 will allow for a subtraction modification of union dues (subtracted from federal adjusted gross income), at the State level, therefore lessening the tax burden for the States union members, and ultimately, reversing, in part, the damage done by the Tax Cuts and Jobs Act of 2017

For these reasons we ask for a favorable report on HB 0002.

Good morning,

My name is Ginger L. Noble. I am a State of Maryland employee for my full-time career. I am also the President for AFSCME Local 354 and a Western Region Vice President for AFSCME Council 3. As I noted, I am a state employee for my full-time career, but I also have many part-time careers, including that of being a paid tax preparer.

Not only is the ability to write off union dues important to building our locals, it re-establishes a deduction that was stripped from us at the federal level. Our neighboring state, Pennsylvania, allows this deduction, as well as unreimbursed employee expenses, to be written off at the state level. I personally know of union eligible employees, both public and private, that must make the choice between paying dues and buying food. To say the removal of the ability to deduct union dues is union busting is an understatement, as unions are a vital part of ensuring workplace safety and a livable wage. Union provides training. Union provides job placement services. By providing the deduction, it will allow union eligible employees, both public and private, the opportunity to provide better lives for themselves and their families, as every penny matters.

On behalf of myself, my members, my region, and all my union brothers and sisters in both the public and private sectors, I urge you to please encourage movement on and the passing of this bill.

Thank you,
Ginger L. Noble
301-991-4350



January 20, 2023

**TESTIMONY IN SUPPORT OF HB 2
Income Tax - Subtraction Modification - Union Dues
January 24th, 2023**

TO: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee

FROM: Robert Martinez, Jr., International President, International Association of Machinists and Aerospace Workers (IAM)

Madam Chair and members of the Committee, thank you for the opportunity to submit written testimony in support of HB 2 Income Tax - Subtraction Modification - Union Dues. I am Robert Martinez, International President of the 600,000-member International Association of Machinists and Aerospace Workers (IAM), and I am offering the following comments.

The IAM, headquartered at 9000 Machinists Place in Upper Marlboro, Maryland, represents thousands of workers in the state, including those employed at Aberdeen Proving Ground, Naval Air Station Patuxent River, in addition to the Apple retail store in Towson and the hundreds of workers at the Baltimore County Public Library (BCPL) system.

As you can see, the IAM's roots are deep in Maryland. We are firmly committed to improving the lives of our members in the state. That said, we see HB 2 as a positive pro-worker bill that brings a subtraction modification back for union dues, for state income tax calculation.

In 2017, the Tax Cuts and Jobs Act (TCJA) was enacted, which stated that workers couldn't deduct the cost of the union dues they pay to support their unions. That unfairly eliminated union dues as an itemized deduction for miscellaneous expenses. Because of Maryland's tax laws, union members cannot itemize an expense for State income tax purposes if the expense cannot be claimed as a federal itemized deduction.

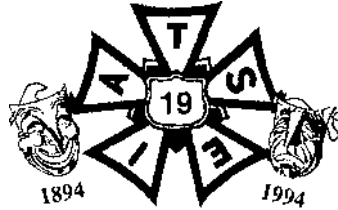
Therefore, the union members in Maryland have taken a double hit; first by the Federal government, and then by the State of Maryland.

HB 2 would allow for a subtraction modification of union dues at the State level, therefore lessening the tax burden for Maryland's union members. This legislation would help reverse some of the damage done by the Tax Cuts and Jobs Act of 2017.

For these reasons the IAM strongly asks for a favorable report on H.B. 2.

BALTIMORE LOCAL No.19

**International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists
and Allied Crafts of the United States and Canada, AFL-CIO-CLC**



January 20, 2023

**Michael Mixer
Business Agent
Union Steward
I.A.T.S.E. Local #19
P.O. Box 50098
Baltimore, MD 21211**

Hon. Vanessa Atterbeary, Chair
Members of the House Ways and Means Committee
Annapolis, MD 21401

Dear Chairperson Atterbeary and Committee Members:

I write to enthusiastically support the proposed House Bill 2—Income Tax—Subtractions Modification—Union Dues. This bill would allow union members to include union dues as an itemized deduction from taxable income for State income tax purposes.

As the Business Agent of the International Alliance of Theatrical Stage Employees Local #19 in Baltimore, Maryland, I represent a diverse group of skilled men and women who perform technical work backstage in theaters and other venues throughout Maryland, including the Baltimore Convention Center, Merriweather Post Pavilion, and the Hippodrome Theater, to name just a few. In the past few years, Local #19 members have faced financial difficulties stemming from loss of work and income due to the COVID-19 pandemic, combined with rising inflation that hits especially hard when one does not have a fixed, predicable income, as is the case with stagehands. House Bill 2 would provide some financial relief by allowing Local #19 members to deduct their union dues from their taxable income in calculating their State income tax.

Changes in the federal tax system in 2017 eliminated union dues as an itemized deduction at the federal level. Under current Maryland law, taxpayers cannot itemize an expense for State income tax purposes if the expense cannot be claimed as a federal itemized deduction. House Bill 2 would mitigate the hit that union members took by the change in federal tax law, and would lessen the tax burden for members of Local #19 and other union members at a time when it is especially needed.

Local #19 supports House Bill 2, and respectfully requests that your committee give this bill a favorable recommendation to the General Assembly.

Michael Mixer

Michael Mixer

Business Agent

Union Steward

I.A.T.S.E. Local #19

Mid Atlantic Studio Mechanics and Broadcast Technicians

I.A.T.S.E. Local 487

OFFICE LOCATION: 2301 Russell St., Baltimore, MD 21230

HB 2 – Income Tax - Subtraction Modification - Union Dues House Ways and Means Committee January 24, 2024 SUPPORT

Madam Chair and members of the Committee, we at Local 487 wholeheartedly support House Bill 2. We strongly believe that all Union dues should be deductible from our member's taxes. These dues support our Locals in ensuring living wages and benefits for all our members. As the saying goes "A rising tide lifts all boats".

Paul Thomas
President

My name is David O'Ferrall and I am the Business Agent of the Mid-Atlantic Studio Mechanics, Local 487, I.A.T.S.E. I represent over 600 technicians who support themselves and their families working in the Motion Picture and Television Industry in Maryland.

Justin Unger
*Vice President
Southern Region*

HB 2 brings a subtraction modification back for union dues, for state income tax calculation. Changes in the federal tax system with the passage of the Tax Cuts and Jobs Act of 2017, eliminated union dues as an itemized deduction for miscellaneous expenses. Because of Maryland's tax laws, union members cannot itemize an expense for State income tax purposes if the expense cannot be claimed as a federal itemized deduction. Therefore, union members in Maryland have taken a double hit; first by the Federal government, and then by the State of Maryland.

Len Applefeld
*Vice President
Northern Region*

Ellen Popiel
Secretary/Treasurer

David M. O'Ferrall
Business Agent

We cannot express the importance that all Union dues should be deductible from our taxes. These dues support our Locals in ensuring living wages, benefits, and safe workplaces for all our members.

HB 2 is a priority for all Union members and we'd appreciate your favorable report.

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS - LOCAL UNION No. 24

AFFILIATED WITH:

Baltimore-D.C. Metro Building Trades Council — AFL-CIO

Baltimore Port Council

Baltimore Metro Council — AFL-CIO

Central MD Labor Council — AFL-CIO

Del-Mar-Va Labor Council — AFL-CIO

Maryland State - D.C. — AFL-CIO

National Safety Council



AFL-CIO-CLC

BALTIMORE, MARYLAND 21230

C. SAMUEL CURRERI, President
DAVID W. SPRINGHAM, JR., Recording Secretary
JEROME T. MILLER, Financial Secretary
MICHAEL J. McHALE, Business Manager

OFFICE:

2701 W. PATAPSCO AVE
SUITE 200

Phone: 410-247-5511

FAX: 410-536-4338

TESTIMONY IN SUPPORT OF HB 2

Income Tax – Subtraction Modification – Union Dues

January 19th, 2023

To: Hon Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee

FROM: Rico Albacarys, Assistant Business Agent IBEW Local 24

January 19, 2023

Dear Madame Chair Atterbeary and Committee Members,

Thank you for the opportunity to submit written testimony in **strong support** of HB 2.

My name is Rico Albacarys and I am a member and employee of IBEW Local 24 in Baltimore. I have been a dues-paying union member for over a decade and have enjoyed the middle-class lifestyle a good paying union job can afford. For many union members, paying dues is a cost of going to work, a cost of doing business, so to speak. In the old tax code, we were allowed to deduct those dues from our income, the same as any other work-related expense. Unfortunately, the new federal tax code does not allow this. HB 2 seeks to rectify this and allow union members to deduct their dues from their State taxes.

That is why I am in **support** of House Bill 2 and am asking your committee to vote favorably.

Thank you,

Rico Albacarys

Assistant Business Agent IBEW 24



International Brotherhood of Electrical Workers

JOSEPH F. DABBS: Business Manager • THOMAS C. MYERS: President • RICHARD D. WILKINSON: Vice President
CHRISTOPHER M. CASH: Financial Secretary • RICHARD G. MURPHY: Recording Secretary • PAULO C. HENRIQUES: Treasurer



TESTIMONY IN SUPPORT OF HB 2 Income Tax- Subtraction Modification – Union Dues January 24, 2023

TO: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee
From: Tom Clark, Political Director, International Brotherhood of Electrical Workers Local 26

Madam Chair and members of the Committee, thank you kindly for allowing my testimony in full hearted **support of HB 2**, Income Tax-Subtraction Modification-Union Dues or in other words; allowing union members to deduct their union dues from their state taxes. Specifically, IBEW 26 members, whose benefits are self-funded and do not cost the state one penny. The state does not pay our healthcare, our education or our retirement. The union and the knowledge we learned from our past members takes care of all benefits, at no cost to the State. I hope you agree, that self-funded citizens like ourselves, deserve to deduct our union dues and deserve your support on **HB 2**.

In his first full year in office, Donald Trump introduced the Tax Cuts and Jobs Act of 2017, a fancy name for: “A tax break for those groups that voted for me, and a tax hike for those that opposed me”. Unions were number one on his enemies list, therefore we received a tax hike because this bill prevented us from deducting our union dues at both the federal and state level. The IBEW’s decision to oppose Mr. Trump was correct based on economics and ethics; history will continue to prove us right. Today I am asking this committee and the Maryland General Assembly to right this wrong and **support HB 2**, and more importantly **support** the men and women that build the buildings, maintain the schools and light the way for the middle class in Maryland. The effects of the 2017 federal legislation, literally took money out of our members pockets. Our members, your constituents, look to you now to help them retrieve this simple, well-deserved deduction.

In closing, I ask the members of this committee to allow the deduction of union dues. The dues that help our ability to represent our members and to achieve self-funded healthcare and retirement. Benefits that we achieve at the bargaining table and benefits that will keep our members from burdening the states coffers, therefore allowing you to help those Marylanders most in need. Please join me and the IBEW in **support of HB 2**.





International Brotherhood of Electrical Workers

JOSEPH F. DABBS: Business Manager • THOMAS C. MYERS: President • RICHARD D. WILKINSON: Vice President
CHRISTOPHER M. CASH: Financial Secretary • RICHARD G. MURPHY: Recording Secretary • PAULO C. HENRIQUES: Treasurer



TESTIMONY IN SUPPORT OF HB 2 Income Tax – Subtraction Modification – Union Dues January 24, 2023

TO: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee
FROM: Joseph F. Dabbs, Business Manager IBEW Local 26

Madam Chair and members of the Committee, I appreciate the opportunity to submit testimony in **support** of HB 2 Income Tax-Subtraction Modification-Union Dues. As Business Manager of Local 26, I represent over 5500 electricians in Prince Georges, Montgomery, Calvert, Charles and St. Mary's counties. Our sister Locals in Maryland have another 6000 wireman, lineman and manufacturers throughout the state.

As you know, the federal "Tax Cuts and Jobs Act" of 2017, actually raised taxes of those in organized labor; my members and your constituents. To remove union dues tax deductions both federally and at the state level was the 45th Presidents way of getting back at those who did not support him. Today, I ask you to look favorably upon this Bill, in order to rectify this financial injustice on the state level. During these economically difficult times, the men and women of the IBEW could use every penny available to care for their families. In Maryland there is actually a huge tax break for union-busting as a Business expense ("labor influencers" is what they are often called). I hope you agree that by supporting **HB 2** is a direct way of supporting the hardworking Maryland taxpayers that you see on construction sites and industrial plants, those blue collar workers that do most of working, living and paying taxes in the Old Line State.

As the leader of IBEW Local 26, I promised my membership that I would strive to make their workplace and quality of life as good as possible. I would imagine you would want the same for your citizens and constituents. To that end, I ask that you join me in full **support** of **HB 2**.

Thank you.





INTERNATIONAL
BROTHERHOOD
OF
ELECTRICAL
WORKERS
AFL-CIO & CLC

LOCAL UNION 70

**HB 2 – Income Tax - Subtraction Modification - Union Dues
House Ways and Means Committee
January 24, 2023**

SUPPORT

**Roland A. Carter
President
International Brotherhood of Electrical Workers, Local Union 70**

TO: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee

Madam Chair and members of the Committee, thank you for the opportunity to submit support of HB 2 – Income Tax – Subtraction Modification – Union Dues. As President of IBEW Local Union 70, on behalf of our state of Maryland membership, we completely support this bill.

Sincerely Yours,

A handwritten signature in blue ink that reads "Roland A. Carter". The signature is fluid and cursive, with a long horizontal stroke at the end.

Roland A. Carter, President
IBEW Local Union 70
rcarter@ibew70.us

3606 STEWART ROAD
FORESTVILLE, MD 20747
PHONE: 301.516.7730
FAX: 301.516.7344





International Brotherhood of Electrical Workers

A.F.L. – C.I.O. – C.F.L.

Local Union No. 307

401 Decatur Street - Cumberland, MD 21502

301-724-3403 Fax 301-724-2722



Rodney E. Rice – Business Manager

www.ibew307.org

George A.

January 20, 2023

To; House and ways committee

From: International Brothers of the Electrical Union Local 307

Subject; HB 2 income Tax-Subtraction Modification-union Dues

Position: Strongly support

Dear, Honorable Chair Vanessa Atterbeary.

I am the Business Manager of the IBEW 307 the IBEW is in strong support of HB2 our members are in the construction industry and travel every day for work in the environment of high gas prices food prices and everything else seems to be effected by that. The union members having the ability to right off their dues would be a help with these economic times.

The members and I strongly support HB2 and ask for a favorable vote for HB2 Thank you in advance for your attention to this matter.

Respectfully,

Rodney Rice
IBEW L.U. 307
Business Manager



INTERNATIONAL ASSOCIATION OF
**Heat & Frost Insulators
& Allied Workers**

Local 24
Baltimore-Washington, DC

901 Montgomery Street
Laurel, MD 20707

Tel: 301-725-2400
Fax: 301-725-0804

January 19, 2023

Maryland House of Delegates
Ways and Means Committee
Chair: Vanessa Atterbeary

TESTIMONY IN SUPPORT OF HB 2
Income Tax – Subtraction Modification - Union Dues
January 24, 2023

Michael Moneymaker, Business Manager
mike.moneymaker@insulators24.org

TO: Hon. Vanessa Atterbeary, Chair and members of the House Ways and Means Committee
FROM: Michael Moneymaker, Business Manager of Heat & Frost Insulators & Allied Workers
Local 24

This testimony is submitted in support of HB 2.

When the Tax Cuts and Jobs Act was signed into law back in 2017, the balance of power shifted drastically to management and against workers. The inequity in this tax code is another example of our broken labor law system: employers, especially large corporations, have the upper hand at the negotiating table for many reasons, including their ability to fully write off, or deduct, management and legal costs, such as those involved in resisting unionization campaigns and negotiating with unions. Meanwhile, workers, who are represented by the unions in these negotiations, cannot deduct the cost of the dues they pay to support the unions they have chosen for their representation. In other words, workers cannot deduct an important cost of earning their income, while employers can deduct the costs of maximizing their profits at the expense of workers.

Allowing a deduction for union dues would increase tax fairness for these workers. The current tax treatment of union dues is fundamentally unfair and inconsistent with basic income tax principles. The ability to deduct union dues compliments a basic principle of taxation: taxable income should not include the costs of earning that income.

Without a strong collective voice, workers are not able to safeguard that they share in the profits they help to produce. Unions are a proven mechanism for workers to stand together and negotiate for the pay and benefits they deserve. Union dues are an indispensable and essential expense for workers in their pursuit of fair wages and benefits; all workers should be able to deduct them on their tax returns.

We ask that you vote favorably for this legislation. Thank you for your time and consideration.

Sincerely and Respectfully,

A handwritten signature in blue ink, appearing to read 'MM', is written over the typed name.

Michael Moneymaker, Business Manager
Insulators and Allied Workers Local 24



International Union of Elevator Constructors Local Union No. 7

3743 Old Georgetown Rd. Halethorpe, Md. 21227
Office: (410) 661-1491 / FAX: (410) 882-8510

Mark F. Nutting
Business Manager
Financial Secretary



Jason A. Danker
Business Representative

TESTIMONY IN SUPPORT OF HB 2

INCOME TAX - SUBTRACTION MODIFICATION – UNION DUES

House Ways and Means Committee

January 24, 2023

SUPPORT

To: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee,

Thank you for the opportunity to submit testimony in support of HB 2 – Income Tax-Subtraction Modification – Union Dues. On behalf of the over 330 International Union of Elevator Constructor Local #7 members, I offer the following comments.

Changes in the federal tax system with the passage of the Tax Cuts and Jobs Act of 2017, eliminated union dues as an itemized deduction for miscellaneous expenses. Because of Maryland's tax laws, union members cannot itemize an expense for State income tax purposes if the expense cannot be claimed as a federal itemized deduction. Therefore, union members in Maryland have taken a double hit; first by the Federal government, and then by the State of Maryland.

HB 2 will bring back a subtraction modification of union dues (subtracted from federal adjusted gross income), at the State level, therefore lessening the tax burden for Maryland's union members, and, ultimately, reversing, in part, the damage done by the Tax Cuts and Jobs Act of 2017.

Our members are skilled construction workers and some of the essential workers that kept our state moving during the COVID-19 pandemic. We hope to have your support on behalf of the hard working union men and women in the State of Maryland.

For these reasons we ask for a favorable report on HB 2

FROM: International Union of Elevator Constructors Local #7

INTERNATIONAL UNION OF OPERATING ENGINEERS

LOCAL 37

AFFILIATED WITH THE AFL-CIO

Chartered May 1, 1900



January 18, 2023

Robert A. Holsey, Jr.
*Business Manager and
Financial Secretary*

To: MD House of Delegates-Ways and Means Committee

Mark F. McQuay
*President and Business
Representative*

Chair: Honorable Vanessa Atterbeary

Thomas M. Boschi
Vice President

From: Robert A. Holsey Jr. Business Manager IUOE Local 37

Michael B. Funk
*Recording Secretary and
Training Director*

Position: Strong Support House Bill 2- Income Tax- Subtraction Modification-
Union Dues.

Hearing January 24, 2023

Daniel S Humbertson
*Treasurer and Business
Representative*

Dear Chairwoman Atterbeary, Honorable Delegates and Committee Members,

Executive Board
Robert A. Holsey, Jr.
Mark F. McQuay
Thomas M. Boschi
Michael B. Funk
Daniel S Humbertson
Steve J. Rohrman
James E. Nunley, Jr
Phillip E. Grothe
Michael J McKew, V
Robert J. Pucci
Thomas I. Judge

I am writing to you today on behalf of the 1500 members of IUOE Local 37 asking for a favorable report on House Bill 2. As you know, our members along with every Union member lost the ability to deduct Union dues on their Federal tax returns. The current tax treatment of Union dues is not only fundamentally unfair but also inconsistent with basic income tax principles. HB 2 will allow for a Union dues deduction increasing tax fairness for our hard-hit working men and woman.

Trustees
Vasilis Peros
Stephen VanBoesschoten
Thomas W. Costanzi

We are asking for your support for House Bill 2, this legislation is so important for our members and their families especially during these difficult times, it is imperative to keep money in our workers pockets.

Auditors
Walter L. Wagner
Bruce J. Clark
Raymond Keil

Thank you for taking the time to read this correspondence and again ask for a favorable report on this vital legislation.

Conductor
Michael C. Wines

Sincerely,

Robert A. Holsey Jr.
Business Manager
International Union of Operating Engineers Local 37

Guard
Jason R. Lewis



District Council No. 51
4700 Boston Way
Lanham, MD 20706
(301) 918-0182
(301) 918-3177 Fax

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Riggers
Tank Painters
Marine Painters
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Lead Abatement Workers
Sand Blasters
Water Blasters
Sign Painters
Paint Makers

ONE AGENDA

Affiliated Local Unions
Local Union 1
Local Union 368
Local Union 474
Local Union 890
Local Union 963
Local Union 1100
Local Union 1846
Local Union 1937
Local Union 1997

Over 100 Years Serving
Maryland
Virginia
Washington, DC

INTERNATIONAL UNION OF PAINTERS AND ALLIED TRADES, AFL-CIO DISTRICT COUNCIL NO. 51

January 20, 2023

House of Delegates Ways and Means Committee:

Vanessa Atterbeary, Chair
Alonzo T. Washington, Vice Chair
House Office Building, Room 131
6 Bladen St., Annapolis, MD 21401

Dear Honorable Members of the House Ways and Means Committee:

I am Roxana Mejia Political and Community Liaison for the International Union of Painters and Allied Trades District Council 51 covering the Maryland, Virginia, and District of Columbia jurisdictions. I represent over 1,500 members in the finishing trades of the construction industry.

I want to thank the Committee Members for taking the time to read our Support to HB 2 Income Tax - Subtraction Modification - Union Dues.

HB 2 brings a subtraction modification back for union dues, for state income tax calculation. Unionized workers are our teachers, firefighters, and our police and corrections officers. They are our transportation workers, social workers, nurses, paraprofessionals, skilled construction workers, and the essential workers that have kept our state afloat during the COVID-19 pandemic. Changes in the federal tax system with the passage of the Tax Cuts and Jobs Act of 2017, eliminated union dues as an itemized deduction for miscellaneous expenses. Because of Maryland's tax laws, union members cannot itemize an expense for State income tax purposes if the expense cannot be claimed as a federal itemized deduction. Therefore, union members in Maryland have taken a double hit; first by the Federal government, and then by the State of Maryland.

When we can help mitigate the damages done by the Federal government, we should. HB 2 will allow for a subtraction modification of union dues (subtracted from federal adjusted gross income), at the State level, therefore lessening the tax burden for Maryland's union members, and, ultimately, reversing, in part, the damage done by the Tax Cuts and Jobs Act of 2017.

For these reasons we ask for a favorable report on HB 2.

Thank you,

Roxana Mejia
Political and Community Liaison
IUPAT DC 51



Workers United®
MID-ATLANTIC
REGIONAL JOINT BOARD

PATRICK JONES SR.
REGIONAL DIRECTOR
PJAYSR@MARJB.ORG
TEL (410) 659-2191
FAX (410) 659-1790

5735 INDUSTRY LANE, BLDG C, STE 101, FREDERICK, MD 21704

TESTIMONY IN SUPPORT OF HB 2
Income Tax – Subtraction Modification – Union Dues
January 24, 2023

TO: Hon. Vanessa Atterbeary, Chair and members of the House Ways and Means Committee

FROM: Patrick Jones Sr., Regional Director
Mid-Atlantic Regional Joint Board of Workers United

Madam Chair and members of the Committee, thank you for the opportunity to submit testimony in support of HB 2 – Income Tax – Subtraction Modification – Union Dues. My name is Patrick Jones Sr., and I am the Regional Director of the Mid-Atlantic Regional Joint Board of Workers United. On behalf of the Union members we represent in Maryland, I offer the following comments:

HB 2 brings a subtraction modification back for union dues, for state income tax calculation. Unionized workers are our teachers, firefighters, and our police and corrections officers. They are our transportation workers, social workers, nurses, paraprofessionals, skilled construction workers, and the essential workers that keep our state running. Changes in the federal tax system with the passage of the Tax Cuts and Jobs Act of 2017, eliminated union dues as an itemized deduction for miscellaneous expenses. Because of Maryland's tax laws, union members cannot itemize an expense for State income tax purposes if the expense cannot be claimed as a Federal itemized deduction. Therefore, union members in Maryland have taken a double hit; first by the Federal government, and then by the State of Maryland.

When we can help alleviate the damages done by the Federal government, we definitely should. HB 2 will allow for a subtraction modification of union dues (subtracted from federal adjusted gross income), at the State level, therefore lessening the tax burden for Maryland's union members, and, ultimately, reversing, in part, the damage done by the Tax Cuts and Jobs Act of 2017.

For these reasons we ask for a favorable report on HB 2.





METROPOLITAN BALTIMORE COUNCIL

AFL-CIO Unions

HB 2 - Union Dues and Expenses to Influence Collective Bargaining House Ways & Means Committee January 24, 2023

SUPPORT

To: Hon. Vanessa Atterbeary, Chair & members of the House Ways & Means Committee

From: Courtney Jenkins, President, Metropolitan Baltimore AFL-CIO

Madam Chair and members of the committee, thank you for the opportunity to present testimony in support of HB 2 - Union Dues and Expenses to Influence Collective Bargaining. My name is Courtney Jenkins, President of the Metropolitan Baltimore AFL-CIO—our coalition represents over 100 affiliated local unions and close to 80,000 proud union members in Anne Arundel, Baltimore, Carroll, Cecil, Harford, and Howard counties, and Baltimore City.

With the passage of the Tax Cuts and Jobs Act of 2017, the ability for union members to include their dues contributions as an itemized deduction was eliminated. Huge corporations and companies benefit from tax deductions, credits, and other incentives; the same should be extended to union members. The average union member not only contributes to society by providing essential services, goods, and products—we also contribute to the protection of living wages, workers' rights, and strong benefits. The dues contribution made by our members ensures a level playing field for all, and balances the socio-economic dynamics of our communities and workplaces.

The impact of dues deductions extends far beyond the workplaces of our hardworking membership and into the same communities and neighborhoods that they make up. While the ability to collect dues increases the power of labor unions to help advocate for working families through collective bargaining—it also affords labor union membership the ability to participate in meaningful community engagement. Whether it be a winter supply drive organized by CBTU Baltimore for those with housing insecurity— or apprenticeship readiness programs that connect citizens with worthwhile employment opportunities such as the program conducted by the Metropolitan Baltimore AFL-CIO Council. Dues paying members help support these very important community outreach and philanthropic efforts.

While many charitable organizations provide mechanisms to attain tax deductions from donations, we view the deduction of dues in a similar fashion. HB 2 helps accomplish this goal at the state level.

For the above reasons, **we ask for a favorable report on HB 2.**

opeiu2/afl-cio



Metro Washington Labor Council, AFL-CIO

815 Black Lives Matter Plaza NW • Washington, DC 20006 • 202-974-8150 • 202-974-8152 fax
An AFL-CIO "Union City"

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Ann Hoffman (NOLSW, UAW 2320)

Tom Killeen (SMART 100)

Roxie Mejia (Painters DC 51)

Jacqueline Pogue Lyons (WTU 6)

Wanda Shelton-Martin (NUHHCE 1199DC)

Gina Walton (AFGE 1975)

Trustees

Djawa Hall (1199 SEIU)

Tim Traylor (AFSCME 2250)

Dave Richardson (AFGE 12)

24 January 2023

Honorable Vanessa E. Atterbeary

Ways and Means Committee

Room 131

House Office Building

Annapolis, Maryland 21401

Madam Chair and esteemed members of the Ways and Means Committee:

I am writing to you on behalf of the Metropolitan Washington Council, AFL-CIO (MWC), and the over 200 labor affiliates and 150,000 rank-and-file members we represent in support of **House Bill 2 - Income Tax- Subtraction Modification - Union Dues.**

As a former rank-and-file member of UFCW Local 400, I can testify that the money used to pay union dues supports our daily work in our occupations. Union Dues pay for member benefits, apprenticeship training, legal fees, and other essential expenses that protect front-line workers.

Federal Tax reform changed the rules of union dues deductions. For tax years 2018 through 2025, union dues –and all employee expenses –are no longer deductible, even if the employee can itemize deductions. However, if the taxpayer is self-employed. Allowing union members to write off their union dues as a deductible on their state income tax will provide the essential financial relief needed as we continue to work through these uncertain economic times. Furthermore, this legislation has the potential to positively impact over 300,000 members working and living within the state of Maryland.

Thank you for your time and consideration of this critical legislation affecting working people within the state. I ask for a favorable report on this matter.

In solidarity,

Dyana Forester

President

Bringing Labor Together Since 1896
www.dclabor.org

Tom Killeen
Political Director
Local 100



176 Conduit Street
Suite 206
Annapolis, MD 21401

Honorary Vanessa Atterbeary, Chair and Members of the House Ways and Means Committee

January 19, 2023,

We strongly support HB-2.

Dear Madam Chair and Committee members, thank you for the opportunity to submit testimony on HB-2 Union Dues and Expenses to influence Collective Bargaining. My name is Thomas Killeen Business Representative and Legislative Director for SMART (Sheet Metal Air Rail Transportation) Local Union 100. I represent 2,100 working men and women that reside in the State of Maryland.

Because of the changes in the 2017 Federal tax system Agency Shop Fees, Union Dues, Specific Tools, Uniforms for police and in some cases guns the police may use to protect society have been eliminated in the itemized deductions for miscellaneous expenses. In the past individuals itemizing these expenses listed above on their federal taxes could also items these same expenses on their Maryland taxes but because of the new Federal tax law this is no longer possible.

The passing of House Bill HB-2 would bring back the itemized deduction for our 2,100 members and many other Marylanders (Teachers, Firefighters, Police, Correctional Officers and Skilled Construction Workers) that build and maintain our State. When HB 172 becomes State law it will reinstate the tax credit, at the State level, putting money back into Marylanders pockets and therefore into our economy. I see it as a win/win, I hope you will too.

We ask for a favorable vote on HB-2.

Sincerely,

A handwritten signature in black ink that reads "Tom Killeen". The signature is written in a cursive, flowing style.

Thomas Killeen
Bus. Rep. & Legislative Director
SMART Local Union 100

John Walker
Legislative Representative SMART-TD Local 610
Baltimore, Maryland
(703) 987-0757

Re: HB0002 Income Tax, Subtraction, Union Dues

Ladies and Gentlemen of the Ways and Means Committee,

Thank you for the time that you have taken to put HB0002 on your busy schedule. I will be brief on my remarks on this important House Bill as I, too, am working a busy schedule keeping Maryland moving. SMART-TD Local 610 serves three local railroads and over 81 members on our membership rolls , but we are more than that.

Our union provides opportunities for jobs and advancement in many marginalized communities, and we give back with community volunteering projects throughout the state of Maryland. Our brothers and sisters in our Sheet Metal division also get back to the community through volunteerism and their apprenticeship program.

Our vital railroad jobs keep the nation running with livable wages and good benefits, which are few and far between in this economy. HB0002 would provide some relief for our already struggling membership. Like a mortgage payment, this deduction will continue to provide a firm foundation in our community for our membership. Every little bit helps when it comes to making ends meet, and passing HB0002 would be a fantastic message from Annapolis to our local membership.

Respectfully,
Johnny Walker

DAVID P. PENDLETON SR.
Legislative Advisor



ANNAPOLIS OFFICE
176 Conduit St., Suite 206
Annapolis, MD 21401-2597

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January 24, 2023

The Honorable Chairwoman Vanessa E. Atterbeary and
Members of the House Ways & Means Committee

RE: SUPPORT FOR HB-2

As Legislative Advisor in Maryland for the Transportation Division of the International Association of Sheet Metal, Air, Rail and Transportation Worker's (SMART) I would urge your committee to support HB-2 "*Income Tax – Subtraction Modification – Union Dues.*"

This bill creates a tax credit against the State income tax for an individual who pays specified union dues.

This tax credit was available to Marylanders in the past until the passage of the Federal Tax Cuts and Jobs Act of 2017. This law eliminated union dues as a qualified deductible expense for Federal Income Tax purposes.

Unfortunately, Maryland law states a taxpayer can itemize an expense for State income tax purposes only if the expense can be claimed as a federal itemized deduction. So, the effects of the Act triggered a consequence to Marylanders that the General Assembly did not have a voice in.

HB-2 corrects this unintended consequence by returning the ability of a taxpayer for State income tax purposes to claim an income tax credit for union dues that previously qualified as a miscellaneous itemized deduction.

We urge a favorable report for HB-2

Sincerely,

David Pendleton
Legislative Advisor
Maryland State Legislative Board
SMART – Transportation Division

Journeyman Pipe Fitters and Apprentices



Local Union No. 602

8700 ASHWOOD DRIVE • 2ND FLOOR • CAPITOL HEIGHTS, MD 20743

TELEPHONE: (301) 333-2356 • FAX: (301) 333-1730

AFFILIATED WITH AFL-CIO

HB2 - Income Tax - Subtraction Modification - Union Dues

FAVORABLE

Dear Atterbeary and honorable members of the House Ways and Means Committee:

I hope this letter finds you well.

I write today to thank Delegate Lewis for sponsoring HB2, and to ask this committee for a favorable report.

This is common sense legislation for workers, many of whom have been economically crushed by the COVID-19 shutdowns, the recent stock market falls and related declines in pension systems, and the looming recession.

Specifically, this bill is a tax cut to help cover the cost of union dues, which are job related expenses, that are necessary for workplace representation. In addition, these dues help offset the costs of training the next generation of highly-skilled workers through some of the finest apprenticeship training programs to be found anywhere.

In conclusion, this is a good bill and a huge step in the right direction for Maryland workers, and we respectfully ask for a favorable committee report.

Sincerely,

Chris Madello

Business Manager and Financial Secretary / Treasurer

UA Steamfitters Local 602

EXECUTIVE OFFICES

TEAMSTERS JOINT COUNCIL No. 62

AFFILIATED WITH THE
INTERNATIONAL BROTHERHOOD OF TEAMSTERS



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TESTIMONY IN SUPPORT OF HB0002 Income Tax – Subtraction Modification – Union Dues January 19, 2023

To: Hon. Vanessa Atterbeary, and members of the House Ways and Means Committee

From: Lawrence A. Wolfe Jr., Secretary Treasurer, Teamsters Joint Council 62 and
President, Western Maryland Building & Construction Trades Council

Dear Chairman Atterbeary and Members of the Committee:

I am the Secretary Treasurer of Teamsters Joint Council 62, representing 10,000 Teamster members across the state of Maryland. I am also the President of the Western Maryland Building & Construction Trades Council, representing approximately 2,000 men and women in the building and construction trades industry, covering the three western counties in Maryland.

We support HB0002 – Income Tax – Subtraction Modification – Union Dues to influence Collective bargaining.

HB0002 does two great things first: first, it allows union members to deduct dues from their state taxes, decreasing the tax burden on when our workers need it most; secondly, it stops companies from being able to write-off union busting activities on their state taxes as deductible business expenses.

We support HB0002 and ask that the committee votes favorably on it.

Sincerely,

Lawrence A. Wolfe, Jr.
Secretary-Treasurer

PLUMBERS AND STEAMFITTERS

UA LOCAL UNION 486

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Stephen M. Nitsch

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Todd E. Eckley

Recruiter

HB 2 – Income Tax - Subtraction Modification - Union Dues
House Ways and Means Committee
January 24, 2023

SUPPORT

Gerald Jackson
Assistant Business Manager

Plumbers and Steamfitters Local 486 represents nearly 2,000 union-trained plumbers and steamfitters. We are affiliated with the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada. Our members are highly trained craftsmen who fabricate, install and service piping systems. They may be found on jobsites involving single-family homes, garden and high-rise apartment buildings, large and small office buildings, power plants, chemical installations, factories, public buildings and health care facilities.

Dues are an essential part of how workers improve their own lives. HB 2 would bring back a subtraction modification for union dues, for state income tax calculation. Changes in the federal tax system with the passage of the Tax Cuts and Jobs Act of 2017, eliminated union dues as an itemized deduction for miscellaneous expenses. Because of Maryland's tax laws, union members cannot itemize an expense for State income tax purposes if the expense cannot be claimed as a federal itemized deduction. Therefore, union members in Maryland have taken a double hit; first by the Federal government, and then by the State of Maryland.

For these reasons we ask for a favorable report on HB 2.



HB 0002 – Income Tax – Subtraction Modification – Union Dues

SUPPORT

January 19, 2023

To: The Honorable Vanessa Atterbeary, Chair of the House Ways and Means Committee

From: Kayla Mock, Political & Legislative Director

United Food and Commercial Workers Union, Local 400

Dear Chair Atterbeary and the members of the House Ways and Means Committee:

I appreciate the opportunity to share my testimony on behalf of our over 10,000 members in Maryland, who have worked the frontlines and have been essential employees in grocery, retail, food distribution, law enforcement, and health care. Through collective bargaining, our members raised the workplace standards of wages, benefits, safety, and retirement for all workers.

We strongly support HB 0002 and urge you to vote it favorably.

HB 0002 brings a subtraction modification back for union dues for state income tax calculation. Changes in the federal tax system and the passage of the Tax Cuts and Jobs Act of 2017, eliminated union dues as an itemized deduction for miscellaneous expenses. Additionally, because of Maryland's tax laws, union members are forbidden to itemize an expense for state income tax purposes, if the expense cannot be claimed as a federal itemized deduction. Therefore, Maryland union members are prohibited to write off their union dues as an itemized deduction, as they have been able to in previous years.

It was essential workers - like our members - who served, fed, and cared for our communities during the pandemic. They risked their lives to protect us and to keep our economies functioning efficiently during an inopportune time. Now, they are the workers monotonously battered by economic pressures such as inflation, stagnant wages, and the increase in the cost of living.

By voting favorably on HB 0002 and, therefore, allowing union dues to be tax deductible, there would be a beneficial and direct impact on the lives of working people in Maryland. It would monetarily benefit the essential union workers, which is pivotal in this ever-changing economy.

For these reasons, we urge a favorable report for HB 0002.



Gino Renne, President
Lisa Blackwell-Brown, Secretary-Treasurer
Lisa Titus, Recorder

UFCW Local 1994 MCGEO
600 S. Frederick Avenue, Suite 200
Gaithersburg, Maryland 20877
Office (301) 977-2447 • Fax (301) 977-6752

TESTIMONY IN SUPPORT OF HB 2
Income Tax - Subtraction Modification - Union Dues
January 24th, 2022

TO: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee

FROM: Gino Renne, President, UFCW Local 1994 MCGEO, International Vice President, UFCW

Madam Chair and members of the committee, on behalf of over 9,000 members of UFCW Local 1994 MCGEO, I offer our strong **support** on Bill HB 2: Union Tax-Subtraction Modification – Union Dues.

While the Tax Cuts and Jobs Act of 2017 (TCJA) was a windfall for the very rich, Maryland workers were left behind. Union dues were eliminated as a tax credit for Federal Income Taxes and because state law dictates that we follow federal law on itemized tax credits, it effectively eliminated the State tax credit for union dues, too. This takes money out of the pockets of people who need it most.

Tax cuts should go to the middle class who are more likely to spend every dollar they get and boost the local economy, but that is not what TCJA did. Instead, the wealthiest Americans were the ones that benefited from the Act. Union members spend their money on Main Street not Wall Street and we should do all we can to ensure that they have more money in their pockets. Studies show that consumer spending drives 68 percent of economic growth, so despite what others say, middle class tax cuts are what create jobs, not the bogus TCJA.

This bill will help address the injustices of the TCJA and restore some economic fairness by giving union members a tax credit against their state income tax for their union dues.

I respectfully ask for a favorable report on this legislation.

Vice Presidents:

*Melba Chavarria • Thomas Coulter • Joseph Dickson • Audra Dugue • Cassandra Harper
Paulette Kee-Dudley • Louis Rosen • James Rowe • Kevin Smith • John Smoak • Michael Trigiani • Gilberto Zelaya*



WESTERN MARYLAND CENTRAL LABOR COUNCIL, AFL-CIO

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President

GEORGE KOONTZ

January 24, 2023

Vice President

LARRY KASECAMP

My name is George Koontz, President of the Western Maryland Central Labor Council, AFL-CIO.

Secretary - Treasurer

IAN REIKIE

Executive Board

JACK DAVIS

RODNEY RICE

MATT ROSS

SCOTT UPOLE

JASON WEAVER

We support HB2 - Income Tax - Subtraction Modification - Union Dues. This would help our members on their taxes.

Union dues are an important part of funding the labor organizations that help improve the lives of hundreds of thousands of Marylanders.

Cope Director

JODY OLIVER

Thank you very much for your attention to this important bill for Maryland residents.

George A. Koontz,

George A Koontz
President

Western Maryland Central Labor Council, AFL-CIO