



Testimony of Montgomery County Young Democrats Before Budget and Taxation Committee in Support of SB 766–Fair Wage for Maryland Act of 2024

February 21, 2024

Chair Guzzone, Vice Chair Rosapepe, and members of the Budget and Taxation Committee:

The Montgomery County Young Democrats (MCYD) urge your support for [HB1007/SB766](#), the Fair Share for Maryland Act of 2024. This bill would increase taxes for the wealthiest Marylanders, those making over \$250,000 a year. It would also eliminate tax breaks for large LLCs (limited liability companies). These changes would bring in more than \$1 billion a year for the state. This money would deliver much needed relief for Maryland working families by supporting good schools, roads, public transportation, health care, and other priorities our communities need to thrive.

We are gravely concerned about the impact of the proposed \$3.3 billion cuts in funding for transportation projects over a six-year period beginning in fiscal year 2025. Furthermore, we learned that Maryland Community Colleges face a \$22.6 million budget cut. As young Democrats, we are greatly concerned about the impacts of these proposed cuts, and worry that without further action, more critical services for young people will be cut in the near future.

At a time when so many Marylanders are struggling to afford basic needs, it is unacceptable for a small group of individuals to accumulate extreme amounts of wealth without paying their fair share. [Research](#) from the Maryland Center for Economic Policy shows that the wealthiest 1 percent of households pay a smaller share of their income in state and local taxes than the rest of Marylanders pay. Furthermore, at the national level, the [Treasury Department reports](#) that the wealthiest 1 percent of Americans fail to

pay as much as \$163 billion in owed taxes per year. Maryland must help reverse this trend by leading the way in tackling extreme wealth inequality and poverty.

During the pandemic, we saw how federal funding can help lift our most vulnerable residents. The American Rescue Plan pumped millions of dollars into our local economy, supporting key programs in Montgomery County like the Working Families Income Supplement, the Guaranteed Income Pilot Program, and funding for Elementary and Secondary School Emergency Relief (ESSER). Unfortunately, Montgomery County and Maryland are no longer receiving those funds which has resulted in further inequities in our communities.

As detailed by the Montgomery County Community Action Agency's 2023 Self-Sufficiency Standard, which is a measure of income adequacy based on the costs of basic needs for working families, an individual must [work 120.4 hours per week](#) in order to earn a self-sufficiency wage. Many Maryland residents are desperately in need of financial relief in the form of better and more robust social services. If the General Assembly were to pass the Fair Share for Maryland Act, we could restore billions of dollars in revenue to support our state's most vulnerable residents. Funding would go towards Child Tax Credits, the Blueprint for Maryland's Future, Governor Moore's ambitious housing agenda, and much more.

In conclusion, we strongly support the Fair Share for Maryland Act led by Del. Julie Palakovich Carr in the House and Sen. Shelly Hettleman in the Senate. We urge you to vote in favor of SB 766 that will deliver much needed funding to support Maryland residents.

Please contact us at mocoyoungdems@gmail.com with any questions. Thank you for your consideration.

Sincerely,

The Montgomery County Young Democrats