

Empowering People to Lead Systemic Change

1500 Union Ave., Suite 2000, Baltimore, MD 21211 Phone: 410-727-6352 | Fax: 410-727-6389 DisabilityRightsMD.org

Budget and Taxation Committee Senate Bill 859 Fair Share for Maryland Act of 2025 March 5, 2025 Position: Support

Disability Rights Maryland (DRM) is the designated Protection and Advocacy agency in Maryland, federally mandated to defend and advance the civil rights of people with disabilities.

DRM strongly supports Senate Bill 859, the Fair Share for Maryland Act of 2025. This proposed legislation is critical to ensuring that Maryland has the resources necessary to maintain and strengthen essential programs and services that many residents, including people with disabilities, rely on every day.

Senate Bill 859 provides a responsible way to generate revenue. Under the proposed legislation, large estates and businesses would contribute their fair share to support vital state services. The bill adjusts the estate tax for high-value estates, introducing a new business transportation fee on corporate income, and modifying income tax credits to better support families. This bill, if enacted, would generate much-needed revenue and help strengthen Maryland's economy; the generated revenue could be used to fund essential programs, including programs for people with disabilities, without placing additional burdens on working families.

As Maryland navigates budget challenges, it is crucial to secure funding that can be utilized to support people with disabilities. Without additional revenue, Maryland risks service reductions that could create significant barriers for people with disabilities who rely on these essential programs. Maryland is already seeing the impact of budget shortfalls and attempts to balance the budget by cutting services to people with disabilities. Recently, to address the state's \$3 billion budget deficit, the FY 2026 budget plan proposed a \$200 million reduction in Developmental Disabilities Administration (DDA) services.

In recent years, Maryland has faced challenges in securing enough funding in the transportation trust fund to sustain and expand our transportation system. Many people with disabilities depend on public transportation to access their communities, work, school, and medical care. People with disabilities are less likely to drive, or to be in a household with a car. Senate Bill 859 creates a dedicated stream of revenue for the transportation trust fund through the business transportation fee, which would add \$400 million to the fund. This additional revenue stream is critical to making our transit network more reliable and accessible.

Additionally, House Bill 504 and Senate Bill 429, addressing implementation of the landmark Blueprint education funding law, proposes cuts that would have a devastating impact on students with disabilities. Maryland should not look to cut critical services to people with disabilities but should instead prioritize generating revenue to guarantee these services can continue. HB 1014 provides a proactive solution to maintain vital programs.

This bill is not just about balancing the budget—it is about continuing to build a Maryland where people with disabilities can thrive. Without adequate funding, individuals with disabilities risk losing access to critical services that allow them to be successful in school, live independently, work, and participate fully in their communities. HB 1014 presents a fair and necessary approach to securing Maryland's future by ensuring that large businesses and high-income estates contribute their share to the common good. Without the passage of this bill, Maryland may consider further reductions in services for people with disabilities in the future, a distressing and catastrophic prospect.

We urge the committee to support Senate Bill 859 and prioritize the long-term stability of programs that Marylanders with disabilities depend on every day. For these reasons, we request a favorable report on HB 1014 and thank the committee for your consideration of this critical bill.

Contact: Leslie Seid Margolis at <u>LeslieM@DisabilityRightsMD.org</u> at (443) 692-2505, or Daria Pugh at <u>DariaP@DisabilityRightsMD.org</u> or (443) 692-2487.

Respectfully submitted,

Leslie Seid Margolis, Managing Attorney and Policy Counsel Daria Pugh, Staff Attorney Disability Rights Maryland