MARYLAND
Chamber of Commerce

House Bill 1271

Date: March 11, 2026
Committee: Government, Labor, and Elections
Position: Unfavorable

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families.

House Bill 1271 (HB 1271) would impose an annual excise tax potentially exceeding $1 billion on a targeted number of institutions based in Maryland. This new tax would create untenable operational challenges on these institutions that would have a negative impact on Maryland's economy.

The Maryland Chamber of Commerce recognizes the importance of ongoing conversations about addressing historical inequities and strengthening economic opportunity across Maryland. However, we are concerned that the approach proposed in HB 1271 would have significant unintended economic consequences.

One of the institutions impacted by HB 1271 is Johns Hopkins, Maryland's largest private employer. HB 1271 could undermine Johns Hopkins' impact as an economic driver in Maryland. In 2025, the university's economic impact in Maryland exceeded $40B, which supported 57K direct employees and nearly 150K jobs in total. Further, Johns Hopkins spends approximately $1.1 billion each year with Maryland-based suppliers and contractors.

Leveraging Maryland's position as a national leader in research activity for economic growth is an identified priority of the Maryland Department of Commerce. Maryland's life sciences industry already employs more than 54,000 and is an economic sector that is ripe for further growth at a time when diversifying the state's economy is more important than ever. The excise tax proposed by HB1271 applies to both the Howard Hughes Medical Institute and Johns Hopkins, both of which are nationally recognized research institutions and major contributors to Maryland's position of strength in life sciences. By levying a sizable tax on national leaders in research and life science activity, HB 1271 hinders Maryland's potential to capitalize on one of its biggest areas of opportunity. These institutions not only drive innovation and research but also support tens of thousands of jobs and partnerships with businesses across Maryland.

In addition, HB 1271 is proposed at a time when reductions in federal research funding are impacting universities nationwide. In Maryland, Johns Hopkins has absorbed a substantial financial impact as a result of federal funding cuts, with its federal research grant portfolio declining by more than $500 million in 2025. Against this backdrop, the additional financial burden proposed by HB 1271 would further constrain the research and life sciences activities that are currently driving economic mobility and producing life-saving innovations.

For these reasons, the Chamber respectfully requests an **unfavorable report on HB 1271**.