



Testimony - HB 1238, Taxation - Ultra-High-Net-Worth Individual Surtax and Wealth Tax  
Favorable  
House Ways & Means Committee  
March 5, 2026  
Christopher C. Cano, MPA  
Director of Political & Legislative Affairs on behalf of SEIU Local 500

Honorable Chairwoman Wilkins & Members of the House Ways & Means Committee:

SEIU Local 500 represents thousands of public service and education workers who see firsthand the consequences of chronic underinvestment in public services—underinvestment driven in part by a tax system that is allowing those with more to avoid paying their fair share. At its core, this bill is about tax fairness and protecting the public systems that working families depend on every single day through fiscal responsibility.

Working families across Maryland already contribute a greater share of their income toward sustaining our state through income, sales, and property taxes. Meanwhile, the ultra-wealthy—those with net worth exceeding \$1 billion—often pay a lower effective tax rate than the teachers, school support staff, and public employees who keep our communities functioning. This bill corrects that imbalance by ensuring that those who have benefited the most from our economy contribute at least their fair share.

SEIU Local 500 members see every day what happens when public systems are underfunded. Schools struggle to hire and retain staff. Behavioral health programs operate with insufficient workforce capacity. Public infrastructure is deferred, increasing long-term costs. HB 1238 provides a responsible, targeted revenue solution by asking a very small number of ultra-high-net-worth individuals to help stabilize Maryland's finances and protect essential services that working families rely upon.

Importantly, the bill directs revenue into the Maryland Strategic Investment and Stabilization Fund, prioritizing the reduction of the State's structural budget deficit and buffering against federal funding uncertainty. When funds are available beyond stabilization needs, investments are explicitly tied to education, behavioral health

services, affordable housing, and climate-resilient infrastructure—the very systems that support family stability, economic mobility, and community well-being.

This approach reflects a shared responsibility model: billionaires who have amassed extraordinary wealth in Maryland benefit from the state's educated workforce, public infrastructure, and stable institutions. Asking them to contribute more is not punitive—it is practical and fair. For working families already stretched thin by rising costs, this bill helps prevent further cuts or regressive tax increases that would otherwise fall on those least able to afford them.

SEIU Local 500 strongly supports House Bill 1238 because it advances tax equity, protects public services, and invests in the future of Maryland's working families. We respectfully urge the Committee to issue a favorable report.

Thank you for your time and consideration.

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