



Testimony - HB 930, Income Tax – Decoupling From Federal Changes –
Education Expenses
Favorable
House Ways & Means Committee
February 26, 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:

On behalf of SEIU Local 500, which represents over 23,000 public workers across Maryland, we respectfully urge a favorable report on House Bill 930.

Our members are deeply committed to strengthening and protecting Maryland’s public education system—from early childhood through higher education. HB 930 is an important step in ensuring that Maryland’s tax policy aligns with those values.

HB 930 makes three critical changes.

First, the bill prohibits the Governor from electing to participate in the federal tax credit program for qualified elementary and secondary education scholarships under § 25F of the Internal Revenue Code. This provision prevents Maryland from subsidizing private school voucher-style programs through the tax code. Public dollars should strengthen public schools that serve all students, not be redirected in ways that undermine equitable funding and accountability.

Second, the bill decouples Maryland’s tax treatment from recent federal changes that expand the use of 529 college savings plans to cover elementary and secondary education expenses. Maryland’s 529 plans were designed to promote access to higher education. Allowing tax-advantaged funds to be diverted to K–12 private school tuition weakens that original purpose and disproportionately benefits families who already have greater financial resources.

Third, the bill requires certain employer contributions to so-called “Trump accounts” and certain distributions not used for qualified higher education expenses to be added back to Maryland adjusted gross income. This ensures that Maryland does not inadvertently provide tax benefits for programs or expenditures that do not align with the State’s higher education priorities.

At a time when Maryland is working to fully implement the Blueprint for Maryland’s Future and expand access to affordable higher education, it is critical that our tax code reinforces—not undermines—those goals. Our public education system depends on stable and equitable funding. Tax policies that siphon resources toward private education subsidies or broaden tax-preferred accounts beyond their original intent threaten that stability.

SEIU Local 500 believes strongly that public funds should remain focused on strengthening public schools, supporting working families, and expanding access to higher education. HB 930 protects Maryland’s fiscal integrity and preserves the original purpose of our education-related tax benefits.

For these reasons, SEIU Local 500 respectfully urges a favorable report on HB 930.

Thank you for your time and consideration.

Christopher C. Cano, MPA
Director of Political & Legislative Affairs
SEIU Local 500