



TESTIMONY TO THE HOUSE WAYS AND MEANS COMMITTEE

HB 342 Retirement Tax Reduction Act of 2020

POSITION: Oppose

BY Lois Hybl and Richard Wilson – Co-Presidents

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The League of Women Voters is a nonpartisan organization that works to increase understanding of major public issues and influence public policy through education and advocacy. The League believes that fiscal policy should achieve an equitable and efficient structure which provides an adequate yield so that revenues are available to finance planned expenditures.

We therefore oppose HB342. The state is not only facing structural deficits for the next several years but also needs significant additional revenues to finance planned educational improvements. While the impact of this bill is relatively small (\$286 million by FY2025) compared to the total budget, when added to other proposed income tax reductions it will become noticeable in future years.

The impact on local revenues - \$237.9 million by 2029 – would be significant and should also be taken into consideration.

The LWVMD representing 1500+ concerned citizens throughout Maryland, strongly urges an unfavorable report on HB342.