



Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

March 5, 2020

Committee: House Ways & Means

Bill: HB 1117 – Economic Development – Enterprise Zone Program -- Alterations

Position: Oppose

Reason for Position:

The Maryland Municipal League opposes HB 1117 which limits the amount that the State must reimburse local governments for property tax credits issued under the Enterprise Zone Tax Credit Program to \$25.0 million each year and requires local governments to report to Commerce and the Comptroller each year.

As the economy continues to improve and municipalities are looking to fill the empty spaces on their Main Streets, commercial, and industrial areas, many of our cities and towns look to the tax credit and business programs listed in this legislation. While the League certainly understands the need to evaluate these programs to ensure that they are working as designed and that the monies that flow into these programs are providing the economic benefits they were intended to provide, the concern is that if these programs are allowed to sunset, they may never return.

The League would suggest that there are other pieces of legislation such as HB 765 that have been introduced that would not eliminate or restrict these programs, but would instead study them for improvements that may need to be made to make these and other programs more effective. Therefore, MML respectfully requests that this Committee provide HB 1117 with an unfavorable report and instead further study these programs.

FOR MORE INFORMATION CONTACT:

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