

Testimony SUPPORT of House Bill 495
Income Tax - Internal Revenue Code Amendments and the Federal CARES Act - Decoupling

House Ways and Means Committee
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The Maryland State Education Association supports HB 495, would decouple Maryland from federal tax provisions altered in the CARES Act.

MSEA represents 75,000 educators and school employees who work in Maryland's public schools, teaching and preparing our 896,837 students for careers and jobs of the future. MSEA also represents 39 local affiliates in every county across the state of Maryland, and our parent affiliate is the 3 million-member National Education Association (NEA).

MSEA supports passage of an adequate, sustainable, predictable revenue stream that will adequately fund both the operating and construction costs of our public schools. A great public school for every child means our students have updated technology, small manageable classes, safe and modern schools, proper healthcare and nutrition, and have highly qualified and highly effective educators. The Blueprint for Maryland's Future outlines improvements to access to Pre-K and Career Technology Education, as well as expansion of the educator workforce and increased salaries to help deliver individualized instruction and recruit and retain the best workforce in the country.

House Bill 495 decouples Maryland from certain provisions of the Federal Internal Revenue Code that were amended in the CARES Act. These changes, passed down from the federal government, could cost the State of Maryland hundreds of millions of dollars. These funds are sorely needed as the need for state services has increased during the pandemic. States like Colorado, Georgia, Hawaii, New York, and North Carolina have already passed legislation to decouple and Maryland should be next. Now is the time to make sure we have the resources to fully fund our schools and other important state services.

MSEA urges a favorable report of House Bill 495.