



# POSITION STATEMENT

## TESTIMONY PRESENTED TO THE HOUSE OF DELEGATES WAYS AND MEANS COMMITTEE

### HOUSE BILL 510 – SUSTAINABLE COMMUNITIES TAX CREDIT PROGRAM – EXTENSION AND ALTERATION

**DONALD C. FRY  
PRESIDENT & CEO  
GREATER BALTIMORE COMMITTEE**

#### **POSITION: SUPPORT**

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of more than 500 businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford and Howard counties as well as Baltimore City. The GBC is a 59-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability. It is an organization that prides itself on advocating for changes in public policies that strengthen the business climate while improving the quality of life.

The Greater Baltimore Committee **urges a favorable report** on House Bill 510 – Sustainable Communities Tax Credit Program – Extension and Alteration.

The Sustainable Communities Tax Credit Program is an essential economic development tool for our state. Since its inception, the nearly \$350 million invested by the state has leveraged hundreds of millions of dollars in private investment and supported an estimated 25,375 jobs. With funds reaching every part of the state, this program helps to protect Maryland's rich history by incentivizing the revitalization of historic buildings while using green and sustainable redevelopment methods. The tax incentive often serves as the difference maker in the financial feasibility of historic properties securing conventional financing to move forward. Buildings that might have otherwise stayed vacant are given new life and purpose, setting the stage for further economic development in areas that need it most.

House Bill 510 seeks to not only reauthorize the Sustainable Communities Tax Credit Program but also to add a very important new feature – the Small Business Incentive Project. Currently, the law states that in order to be granted a commercial credit, the rehabilitation costs must exceed the value of the building. Many small businesses are unable to meet this threshold, thereby disqualifying them from utilizing this program. The new Small Business Incentive Project would provide opportunities for small business owners to receive a tax credit for smaller rehabilitation projects, allowing them to continue to invest in their business, grow and hire more Marylanders.

If reauthorized, the Sustainable Communities Tax Credit program is projected to support 3,600 jobs over the next three years while every dollar invested is estimated to generate \$8.53 in economic activity. Additionally, it will help to ensure that we are focusing economic development in areas that need it the most while protecting and preserving the historic character in Maryland communities.

For the reasons stated above, the Greater Baltimore Committee **urges a favorable report on House Bill 510 – Sustainable Communities Tax Credit Program – Extension and Alteration.**

GREATER BALTIMORE COMMITTEE

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