



POSITION STATEMENT

TESTIMONY PRESENTED TO THE HOUSE WAYS & MEANS COMMITTEE

HOUSE BILL 554—COMMISSION ON TAX POLICY, REFORM, AND FAIRNESS (ALSO SENATE BILL 625)

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

Position: Support w/Amendments

The Greater Baltimore Committee (GBC) is an independent non-partisan regional business advocacy organization 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 **supports with amendments** House Bill 554 - Commission on Tax Policy, Reform, and Fairness.

House Bill 554 would create a public and private sector commission to study the current revenue structure of the State of Maryland so that it may make recommendations regarding the promotion of job growth, economic development, fairness, a reliable revenue stream and a business friendly environment.

Maryland must be sure its tax policies are written in a way for the State to remain a true global contender for economic growth.

For the commission to be truly representative and have a broad representation of private sector businesses, Section 1 (b) (6) of the bill should be amended to include:

- A representative of the Greater Baltimore Committee;
- A representative of the Greater Washington Board of Trade;

With the above modification incorporated into the language of the bill, HB 554 is consistent with one of the GBC's eight core pillars for economic growth and job creation outlined in our report, *Gaining the Competitive Edge: Keys to Economic Growth and Job Creation in Maryland*:

Tax structure that is fair and competitive. Maryland's tax policy must be perceived by business as being competitive and devoid of elements that unreasonably target specific businesses or business sectors.

GREATER BALTIMORE COMMITTEE

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Further, in June of 2013 at the GBC's inaugural Chesapeake Conference of CEOs, private sector leaders formed a consensus and created an action-oriented strategic agenda on how to proceed in strengthening the competitiveness of the Baltimore region and the State of Maryland during the next five years. The GBC's top priority, highlighted in our new publication *A Compact for Competitiveness*, is to reform Maryland's tax structure and spending process. The GBC has created a private sector commission to study this issue and its work should be completed in June of 2014.

HB 554 could assist in the ongoing process of creating a competitive tax structure by adding to the growing body of knowledge surrounding Maryland's tax structure. The GBC supports a cooperative public-private commission, like the one contemplated in this bill.

For the reasons stated above, the Greater Baltimore Committee requests a **favorable report of House Bill 554 with the amendments outlined in this Position Statement.**