



July 14, 2017

The Honorable John P. Sarbanes
United States Representative, District
Room 2444 Rayburn House Office Building
50 Independence Avenue, SW
Washington, DC 20515-2003

CC: Maryland's Congressional Delegation

Dear Congressman Sarbanes,

The Maryland Association of Counties (MACo), representing the 24 subdivisions providing primary local public services to all Marylanders, urges your caution when considering policy changes currently before Congress.

Both in fiscal affairs and health care policy, the potential exists for an untoward and unfair shift of responsibilities and burdens to local governments. We hope you will keep these local perspectives in mind as you are called to vote on major policy matters in the months ahead.

The President's proposed budget would represent a stark pullback of numerous domestic spending programs, including several with disproportionate impact in Maryland. The most worrisome of which we've listed here:

- the proposed dissolution of federal support for the Chesapeake Bay program could undermine the important progress that has shown immense benefit for our region through years of cooperative investments;
- the cutbacks in Community Development Block Grants would have a dramatic and worrisome effect on neighborhoods across the state;
- regional funding under the Appalachian Regional Commission, slated to be eliminated from the federal budget, offers essential support for most rural development efforts in troubled parts of Maryland and the nearby region; and
- a proposed elimination of support for career and technical education programs and Pell Grants could undermine the sensible long term investments into our most productive workforce.

As you consider these, and numerous other spending proposals, we encourage a balanced perspective – recognizing that an untenable pressure to sustain needed citizen services may burden Maryland government and taxpayers as a result.

The debate over federal fiscal issues has huge Maryland consequences as well. Current proposals to sharply narrow income tax deductions have two major local effects. First, eliminating the longstanding tax exemption for municipal bond interest simply amounts to an “infrastructure tax” by making it more costly to build schools, roads & bridges, and water & sewer systems.

Second, any elimination or reduction in the deductibility of state and local property and income taxes paid will disproportionately burden Maryland residents relative to those from other states that are less reliant on these workhorse revenue systems. Increasing the tax burden on homeowners in this way could erode longstanding policies to support home ownership as a means to improve families and communities. County officials, on behalf of our critical local infrastructure and on behalf of Maryland residents, urge you to keep these considerable local impacts in mind.

Finally, as Congress considers various health care reform proposals, we urge you to consider the local fallout of any federal changes. Local health departments frequently stand as the last point of service available to chronically uninsured and underinsured populations – and a policy shift could overwhelm these locally-funded services. Further, Maryland is among the many states deeply in the grips of a true epidemic-like plague of heroin and opioid abuse, with overdose numbers still on the rise. With new and more dangerous substances appearing as this crisis unfolds, any weakening of federal support for this battle would seem untimely and unwise. We hope that as you weigh the fiscal and policy matters related to health insurance, Medicaid, and government regulations, that you weigh heavily these local repercussions.

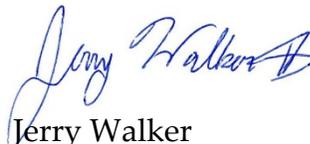
In the event that some localized burdens are unavoidable from these federal decisions, we urge you to advocate for some degree of phase-in or delayed effect, to at least afford state and local officials some transitional planning period for the changes.

As always, MACo and our county officials stand ready to help you and your staff with any matters where a local perspective could serve you well. We hope that through our conferences and events, and direct contact with you, this federal-local partnership can serve both our mutual interests, and those of our shared constituents.

Regards,



Kevin Kamenetz
President, MACo
County Executive, Baltimore County



Jerry Walker
First Vice President, MACo
Council Vice Chairman, Anne Arundel County