

MARYLAND TAXPAYERS ASSOCIATION

Spotlight on Annapolis-Week of Feb 23

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EDUCATION

In 2002-2003, the **Baltimore City Board of Education** was scandalized with disclosure of a \$31 million deficit. Apparently, questionable spending procedures have continued to pile on. **Now the deficit is \$60 million.** This is the total equivalent of 600 teachers each making \$100,000 with included benefits. Since 2003, in any one year, this is the equivalent of 24 non-existent teachers getting paid \$100,000. It's our money! Where did it go? We deserve to know.

On top of all this the city schools get more dollars every year and are scheduled for more in the proposed budget. Annual spending is more than \$15,000 per student, yet the educational results continue to worsen. The city Board of Ed is one of the highest spenders in the country. Something is wrong with this picture.

Establishing a public charter school in Maryland is the most difficult in the entire country. Yet the record of the existing charters, for the most part, far surpasses that of the public schools. **The Governor's Charter School bill, HB 486 (Ways & Means, Thu, Feb 26) will improve upon this situation.** Click [here](#) for a wide ranging discussion about proposed improvements in current law. The article includes quotes from MTA board member, Spear Lancaster, who has been very active on behalf of charters. Public schools tend to improve with competition. Our kids deserve a good education. As for the money, charter schools operate with about 30% less per student proving that throwing money at a problem is not necessarily the solution. **To be heard at the same time, HB 406 would rescind Common Core State Standards while HB 436 would require parental written permission for students to take part in surveys and evaluations that reveal invasive private information (like sexual preference or whether there is a gun at home).**

TAXES AND SPENDING

Real tax reform is needed. We all know it. Ways & Means will hear a plethora of tax credit bills Tue, Feb 24, for this or that. **Credits** may be good for some, but not others. A number offer **exemptions for pensions**, but ignore IRAs. Possibly a majority of retirees roll over their 401(k)s into IRAs. It is the same money, but doesn't count in

these bills. Another bill offers a **corporate tax cut** from 8.25% to 6%. More businesses, however, file taxes on personal returns for which they could be taxed as much as 9% when including county piggyback taxes. Both these small businesses and corporations pay personal property taxes, which can be onerous, in the counties plus license fees. Many of these actions would help growth. **Since the need is to grow the economy, this piecemeal approach without a plan is not the real answer.** HB 221 may help. It proposes establishing a **Commission on Tax Policy, Reform, and Fairness**. It passed the House last year indicating that even many in the majority party realize the harm done by so many tax and fee increases, but failed in the Senate. At the same time, the **Tobacco Tax Increase**, HB 221, will be presented. We've written about this subject before. Neither the bill nor the fiscal note mentions the absolute likelihood of the costs of mushrooming smuggling and crime. Please...no more New Yorks!

PRIVATE PENSIONS

HB 421 (Tue, Feb 24, Economic Matters) comes a bill to cover pensions for private sector employees. There is a problem, however, the plan would be run by the state just as the state employees' pension plans are. **It seems to us that this bill cannot be justified since the existing state employees' plans are in horrible shape and deficient by billions.**