



**Press Release December 28, 2010: For Immediate Release**

**Contacts**

Matthew Weinstein, Prog. Md. Educ. Fund, 443-418-4181, [Matthew@ProgressiveMaryland.org](mailto:Matthew@ProgressiveMaryland.org)

Neil Bergsman, Md. Budget & Tax Policy Inst., 443-438-2317, [NBergsman@mdnonprofit.org](mailto:NBergsman@mdnonprofit.org)

# **STATE OF WORKING MARYLAND HAS DETERIORATED**

## **2010 “State of Working Maryland” Report Released by Maryland Budget & Tax Policy Institute and Progressive Maryland Education Fund**

The state of working families in Maryland has deteriorated, and the prospects for the future are shaky, unless state and national governments take strong action to promote a broadly-shared recovery, according to the 2010 edition of their annual “State of Working Maryland” Report by the Maryland Budget and Tax Policy Institute and Progressive Maryland Education Fund.

“By numerous indicators detailed in the report, working families in Maryland are hurting, even as Maryland has retained its ranking as the wealthiest state in the nation,” said Neil Bergsman, director of the Maryland Budget and tax Policy Institute.

“Business profits and stock prices have recovered, but employment and median incomes have not. The national and state economies are on a path to a jobless recovery.” Said Matthew Weinstein of Progressive Maryland. “The danger Maryland faces is that most of the gains of the economic recovery will flow to the wealthiest Marylanders. New jobs will be few, and those that emerge will have lower wages and fewer benefits than before the recession.”

Maryland State Delegate Tom Hucker (D-Montgomery County) said, “This report is an important contribution to the debate. For several years, productivity has been growing. Businesses have been making a lot of profits while wages have been held flat.”

**Select findings**

- Since 2000, median household income in Maryland increased only 6% in inflation-adjusted terms, from \$65,325 to \$69,272 (in constant 2009 dollars). The median household income in Maryland actually declined in 2009 compared with both 2008 and 2007.
- Over the last decade, the rate of poverty in Maryland has risen from 7.4% in 2000 to 9.1% in 2009.

- Maryland's unemployment rate stands at 7.4% - the highest level since 1983.

"Most of the economic news shows that things are getting better for Wall Street." said Peter Baron, legislative director of the Service Employees International Union Maryland DC State Council, "But for working people, the recession remains in full force."

### **Solutions**

Public policy has a crucial role to play in addressing this danger. National and state governments must promote the development of jobs that can support families. Among the specific policies recommended in the report:

- Maryland should reinstate a state minimum wage to match the cost of living in the state.
- Maryland should solve its state budget crisis through a balanced approach that includes revenue options such as extending the 0.75% surcharge on incomes over \$1 million and passage of combined reporting.
- Maryland should make at least two years of education or training beyond high school an affordable option for all high school graduates.
- Maryland should preserve the supports that low-income workers need to attain and hold a job. These include transportation, childcare, and the Earned Income Tax Credit.
- Maryland should aggressively implement the Affordable Care Act to make health care available to all working Marylanders.

"For many families in my district the recession has not ended," said Senator-elect Victor Ramirez (D-Prince George's). "They need jobs and their wages restored and are not going to get there with unnecessary layoffs and budget cuts."

Said Senator-elect Roger Manno (D-Montgomery), an incoming member of the Senate Budget and Taxation Committee, "These are extremely difficult economic times for working families and small and emerging businesses. As lawmakers and advocates work to address the State's budget shortfall, we're also focused on revenue solutions that are fair, fiscally sound, and morally justified given these extraordinary challenges. For one, Maryland must address loopholes in our corporate tax code, as many other states have. We're also revisiting the expiring income super-bracket for extremely wealthy filers who earn seven digits or more – and we're working toward a sustainable, indexed fuel tax to fund our transportation trust fund, so that projects, like the Purple Line, become a reality."

###