

COMMUNITY-POWERED POLICY

A Roadmap For An Economy That Allows All Marylanders To Thrive



All Marylanders – whether they’re from Ocean City or Baltimore City; from Cumberland or Columbia – want to live in communities that offer the things we all need so we can take care of our families, work, and contribute our communities. While our state has made great strides in many areas, many state policies continue to create and reinforce barriers to opportunity, particularly for Black, Latinx, Indigenous and other Marylanders of color.

Like the hundreds of thousands of Marylanders now struggling to make ends meet each month, we envision a future where getting a paycheck means having enough to cover the basics and paying the rent doesn’t mean going without food or other essentials. We can provide every child a great education, and make sure working Marylanders aren’t facing hours-long commutes that take away time from recreation and family. And we can hold large corporations and other powerful special interests accountable for paying their fair share for the public services we all benefit from.

In developing the Community-Powered Agenda, the Maryland Center on Economic Policy drew on our years of research and the policy expertise of our community partners and of working Marylanders from across the state who attended listening sessions in fall 2021. This document represents a roadmap to broadly shared prosperity and future where our state’s economy is thriving because all Marylanders are thriving.

CONTENTS

2 - HOUSING

4 - HEALTH

6 - WORK

9 - CHILDREN AND FAMILIES

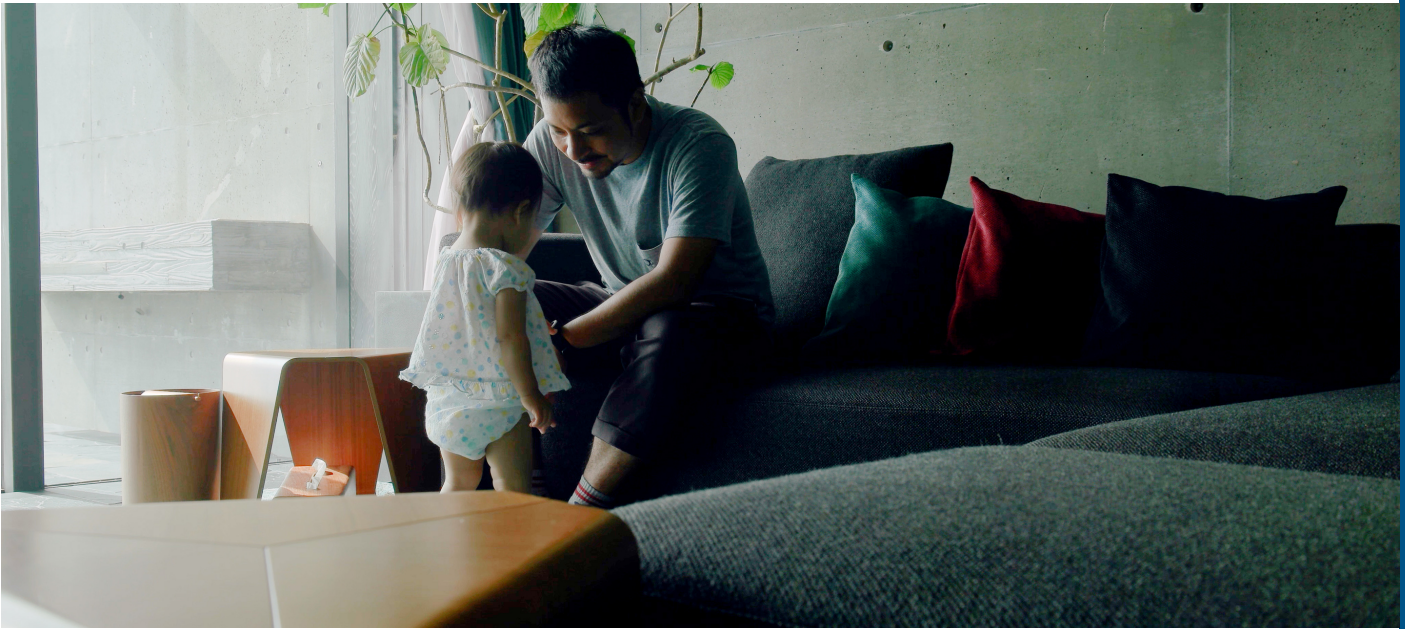
11 - TRANSPORTATION

13 - CLIMATE

15 - SAFE COMMUNITIES

17 - BUDGET AND TAX

ENSURING ALL MARYLANDERS HAVE ACCESS TO SAFE, AFFORDABLE HOUSING



Having a safe place to live and raise a family is critical to economic security, health, and so many other aspects of daily life. So it's no surprise that housing costs were the most commonly raised concern of participants in the community listening sessions.

The Housing Landscape

Maryland has some of the highest housing costs in the country. Even in jurisdictions outside the I-95 corridor, like St. Mary's and Cecil counties, affording a basic two-bedroom apartment requires wages of at least \$29 per hour[i]. Despite recent progress on tenants' rights and worker protections like raising the state's minimum wage and guaranteeing paid leave, too many people are forced to pay far more than they can afford in rent or accept unsafe, unhealthy housing conditions.

This leaves many low-paid Marylanders unable to afford health care, sufficient food, clothing, transportation, quality child care, and other basics. Unstable housing makes it harder to get and keep a good job and makes it harder for children to succeed in school. And, Maryland's long history of racial segregation in housing and under-investing in low-income, Black and Brown communities means that many low-paid workers end up living in communities that lack the good schools and basic infrastructure that could help them get ahead.

Maryland has taken some important steps in recent years including new tenants rights protections, guaranteeing access to legal counsel in eviction cases, and prohibiting landlords from discriminating against tenants using rental assistance funds to pay their rent.

Despite this recent progress in the legislature, too many Marylanders are still struggling to access safe and affordable housing:

- Currently, 72% of extremely low-income Marylanders are severely cost burdened,[i] meaning these households are spending more than half of their income on housing. Those facing unaffordable rents are more likely than other renters to sacrifice other necessities like healthy food and healthcare to pay the rent, and are highly likely to experience unstable housing situations and evictions as a result. Research suggests that households headed by Black and Brown women tend to be the most at risk for eviction[ii].
- Maryland lacks approximately 85,000 rental units for its lowest income households or those earning 30% of their area median income. [iii] Statewide, there are 33 units available for every 100 extremely low-income households.
- About 25% of Maryland homeowners are cost burdened and that's a 3% increase from 2000. [iv] Of this statistic, Black and Brown households are over represented among severely cost burdened homeowners.
- High construction cost of building materials, lack of infrastructure and restrictive zoning regulations are driving up the cost of homes for sale due to low inventory. This issue is increasingly alarming in parts of Maryland that already had higher cost homes. [v]
- The needs amongst the homeless population are broad and often complex, spanning from people experiencing a minor disruption in their ability to pay for housing, people leaving institutions and foster care, people without legal status, seniors and persons living with a disability. In 2020, roughly 6,300 people were experiencing homelessness on a given day in Maryland. [vi]



Pathways to Greater Housing Security

Ensuring everyone can access safe, affordable housing will take multiple steps across all levels of government. In particular, additional federal investment in housing assistance programs would have the most powerful impact on families and communities. However, there is much state policymakers can do as well:

- Establish a housing trust fund and ensure it has adequate funding to support efforts to expand the availability of affordable housing across the state.
- Expand emergency renter's assistance programs.
- Expand and adequately fund permanent supportive housing and stronger connections to behavioral and mental health services for people experiencing homelessness.
- Ensure strong implementation of newly passed tenant protection laws and expand access to information, legal services, and other supports.
- Increase the availability of homebuyer and foreclosure prevention education.
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“I’m not sure I will be able to stay here.”

- Participant in Eastern Shore listening session

QUALITY, AFFORDABLE HEALTH CARE FOR ALL MARYLANDERS



Being able to access the healthcare we need, when we need it, is essential to a good quality of life. Promoting a healthy population can also lead to lower health care costs and fewer work hours lost to illness, while chronic health problems can get in the way of people reaching their full potential.

Barriers to Health

Due to barriers to accessing health care and conditions in their communities, Marylanders of color are more likely to face health problems like low birth weight and asthma, and are more likely to die at younger ages. Making sure everyone can see a doctor without worrying that it will put them deep in debt and tackling environmental hazards like lead can help us build healthier, more prosperous communities for all.

Expanded access to Medicaid under the Affordable Care Act enabled hundreds of thousands of Marylanders to see a doctor when they get sick, and Maryland policymakers have continued to build from there – for example, using premium subsidies and other actions to try and keep health insurance costs more affordable, providing dental coverage through Medicaid, taking steps to reduce racial disparities in health outcomes by creating Health Resource Communities, and ensuring pregnant undocumented immigrants can get prenatal and postpartum care through Medicaid.

Despite the considerable progress in enabling more Marylanders to get medical care when they need it, prior to the pandemic we still had 363,000 residents without health insurance. During the pandemic, analysis showed a slight increase in the uninsured rate from 6% in 2019 to 7% in 2020. Altogether, 423,000 Marylanders were uninsured, of whom 317,000 qualified for health care plans through Maryland Health Connection.[i]

Some Marylanders face a much greater risk of being uninsured. Even prior to the pandemic, there were higher rates of uninsured among many communities of color with Latinx Marylanders in particular experiencing more proportional rates of not being insured than those who identify as white.[i]

- For example, while only 1 in 30 white Marylanders is uninsured, more than 1 in 5 Latinx Marylanders lacks insurance[ii] One reason for this is that we have not done enough to enable Marylanders born outside the United States to access insurance. Among Marylanders who are permanent residents, here on work or student visas, and other non-U.S. citizens, nearly one-third do not have health insurance.[iii]
- The young adult population ages 18 to 34 were already more likely to be disproportionately uninsured prior to the pandemic and as a result these rates reportedly increased due to their job losses during the pandemic.[iv]
- Young adults ages 18-34 in the Black community experienced the highest number of being uninsured both before and after the pandemic. However, young adult White community ages 18-34 experienced the largest increase post-pandemic with over 23,000 newly uninsured.[v]
- The highest number of uninsured Marylanders occurred within Prince George's and Montgomery counties, southern Maryland counties, and downtown Baltimore City.

Fostering Healthy Communities

There are steps that Maryland policymakers can take to strengthen our health care system:

- Maryland should join in with other states and guarantee health care to all undocumented immigrants. We all benefit when everyone in our community can get the health care they need.



- Outreach for insurance enrollment should continue to target the most vulnerable populations throughout the state including but not limited to undocumented immigrants, young adults and Black and Latinx communities.
- Maryland should continue to expand Medicaid so that more Marylanders can qualify and ensure that our Medicaid program covers the full range of services people need, including passing the Trans Health Equity Act to cover gender-affirming treatment.
- Protect working Marylanders from unreasonable medical debt lawsuits and ensure patients are aware of free and reduced-cost care options. From 2009-2018, Maryland hospitals sued 145,746 patients, with the median amount of those lawsuits being only \$944.
- State support for public health programs must continue beyond the COVID-19 pandemic. In the decade prior, state policymakers cut already-meager core support for local health departments, prompting all 24 local agencies to lay off staff and curtail or eliminate services. Public health agencies provide many services beyond infectious disease prevention that are an essential part of a healthy community.

A participant in the Baltimore region listening session said she forgoes medical appointments and medications because of medical debt. "If I have debt, I can't have housing because of bad credit. It's a vicious cycle."

MAKING WORK PAY

All Marylanders should be able to get a decent job that covers their needs



Every Marylander should have access to a decent job that pays enough to support a family. However, too many jobs offer paltry wages or lack basic protections, and structural barriers stand between many Maryland workers and good jobs.

Maryland has taken some important steps in recent years to build a labor market that works for everyone by putting the state on a path to a \$15 minimum wage by 2025, guaranteeing paid sick and safe leave for most workers, and establishing a program to provide universal paid family and medical leave.

However, our labor market still leaves many workers without enough income to make ends meet, and excludes some from opportunity altogether:

- Many of the protections we have put in place for Maryland workers leave thousands of workers out—often because of decades-old, racist political deals. Agricultural workers and tipped workers play an essential role in keeping Maryland’s economy running, but they don’t have the same minimum wage protections as everyone else. People who work at small companies or in certain health and personal care jobs are just vulnerable to illness or domestic violence as anyone else, yet they aren’t eligible to earn paid sick and safe leave.
- Even workers who are covered by Maryland’s workplace protections are not always safe from mistreatment on the job. Employers are allowed to provide incomplete or confusing information that can make it hard for workers to figure out if they are being paid appropriately, or who is responsible if they are not. In some cases, companies are legally allowed to punish or fire employees just for exercising their rights.
- Structural barriers stand between many Maryland workers and decent jobs. Inadequate transportation options can make good jobs physically out of reach for many workers, especially those who have been pushed into underinvested neighborhoods by racist housing policy. For some parents, the sky-high cost of child care can make it more expensive to pursue a career than to care for their kids at home. Many employers—either by choice or because of counterproductive licensing requirements—won’t even consider applicants who were previously incarcerated, regardless of their qualifications.

We all benefit when the labor market works for working people—and we all suffer when it doesn’t. Because of unjust policy choices and structural barriers, that suffering falls more heavily on some Marylanders than on others. In times of growth as well as downturns, Black workers face significantly higher unemployment rates—the share of the labor force actively looking for a job but unable to find one—than their white counterparts:[i]

- During the relatively strong economy of 2019, an average 4.8% of Black workers in Maryland were unable to find a job, compared to 3.3% of white workers. Between January and March 2020—largely before the pandemic’s economic impact was felt—6.1% of Black workers in Maryland were unemployed, compared to 2.3% of white workers. Unemployment estimates for other racial and ethnic groups are not available because of insufficient data.
- Workers of every background saw rising unemployment rates as the downturn deepened in mid-2020, but the impacts were heavily lopsided. Between April and June 2020, 6.6% of white workers in Maryland were unable to find a job. During the same period, 13.0% of Black workers were unemployed.
- Black workers in Maryland saw faster gains from the fitful economic recovery in the second half of 2020 than their white counterparts did, with the Black unemployment rate falling by 5 percentage points to 8.1% in the last three months of 2020. The white unemployment rate fell by only half a percentage point during this period, but from a much lower peak.

Women and workers of color also face greater barriers to getting a job that matches their qualifications and pays at a commensurate level: [i]

- Between 2015 and 2019, 73% of white workers in Maryland who had a four-year degree worked in an occupation that generally requires this level of education.[i] In comparison, 66% of Black workers with a four-year degree, 61% of Latinx workers, and 58% of Indigenous American workers at this level of education had a job that matched their qualifications. This means that workers of color are likely facing additional barriers that keep them out of higher-paying jobs that they would be qualified for based on their level of education. The results is lower pay and less career advancement.
- Even getting a job that matches one’s qualifications doesn’t guarantee fair pay. Among workers with a four-year degree in a job that matched their qualifications, Black, Latinx, and multiracial workers typically took home about 6% less than their white counterparts between 2015 and 2019.
- Across educational levels, women in Maryland are less likely to be employed than their male counterparts. And whether they have a four-year degree or not, women in Maryland take home significantly less than similarly situated men—between 20% less and 28% less, depending on their educational level and occupation.

Typical Annual Pay: White Man			
		Worker Has a Four-Year Degree	
		No	Yes
Job Requires a Four-Year Degree	No	\$49,000	\$70,000
	Yes		\$100,000
Typical Annual Pay: Black Woman			
		Worker Has a Four-Year Degree	
		No	Yes
Job Requires a Four-Year Degree	No	\$30,400	\$47,200
	Yes		\$72,000

Policies that Advance Opportunity

There are several steps policymakers can take to create a healthy Maryland labor market that works for everyone, no matter what you look like or where you live.

Invest in the Foundations of Thriving Communities: Many of the barriers standing between Marylanders of color and good job opportunities or decent wages are the result of policymakers' choices to underinvest in basic public services. Providing the things our communities need to thrive would improve job opportunities and strengthen communities in multiple other ways. The state should strengthen investments in affordable housing, public transportation, and childcare; faithfully implement the Blueprint for Maryland's Future school funding package; and expand health care access.

Strengthen Worker Protections: Basic protections like wage standards, paid leave, and health and safety requirements are vital for a fair labor market, and these protections are meaningful only if they are robustly enforced. The state should increase funding and staffing at the state agencies responsible for protecting workers and holding unscrupulous employers accountable. State leaders should also close gaps in protections to ensure that workers excluded from basic protections like minimum wages and sick leave are included.

Reform Unemployment Insurance: The COVID-19 pandemic brought overdue attention to the shortcomings in Maryland's unemployment insurance system. Thousands of workers endured months of hardship while waiting to receive the benefits they were owed. The state should fully staff the Division of Unemployment Insurance and maintain sufficient staffing once the economy improves; increase benefit caps and wage replacement rates; and update eligibility rules to include app-based workers, self-employed workers, and other workers who today's rules exclude.

Invest in Workforce Development: We should use state funds to ensure that everyone who is eligible for workforce development services and could benefit from them is able to get quality services in a timely manner. There are several steps the state can take to strengthen its workforce development programs and use data to ensure the programs are as effective as possible.



SETTING UP THE NEXT GENERATION FOR SUCCESS



Every child, regardless of their background or where in Maryland they live, deserves a safe, healthy home, a great education, and the support they need to thrive. Our shared investments in the foundations of Maryland communities—things like health care, public schools, and affordable housing—are essential to make this vision a reality. And the policy choices we make about how to support Maryland’s children today will ultimately determine the path of Maryland’s economy tomorrow.

Recent Progress

State and federal policymakers have recently made a number of positive choices that will move Maryland’s children forward and strengthen our economy in the long run:

- The federal American Rescue Plan—the coronavirus relief package that passed in March 2021—temporarily expanded the Child Tax Credit, guaranteeing all families with children a basic financial foundation. Families received \$3,000 per child under the expanded credit, or \$3,600 for children up to age five. More than 1 million children in Maryland were expected to benefit from the expansion, including 350,000 children who previously received only partial benefits or were left out altogether because their families had too little income to receive the full credit under historical rules.[i] Despite the success of the expanded CTC to support working families and lift millions of children around the country out of poverty, Congress has so far not acted to continue the expanded credit.
- The Maryland legislature overrode Gov. Larry Hogan’s veto to pass the Blueprint for Maryland’s Future, a major plan to shore up our investments in public schools. This plan will invest an additional \$3.8 billion per year in Maryland schools once fully phased in, supporting evidence-backed reforms like expanded prekindergarten, bringing teacher salaries up to the level of comparable professions, and shoring up our support for special education and students’ mental health. Increased resources in schools that serve students in the highest-poverty neighborhoods will improve educational opportunities for children forced by racially discriminatory policies to grow up in under-resourced neighborhoods.

Ongoing Challenges

Despite this important progress, too many children in Maryland still don't have the support they need to thrive:

- Children are among the groups most likely to face economic hardship in Maryland, which can cast a lifelong shadow on children's health, academic, and economic prospects. In early 2021, more than 300,000 Marylanders caring for children couldn't afford to put enough food on the table.[i] More than 40% of adults with children in the home who couldn't afford enough to eat report significant symptoms of clinical anxiety. Research shows that when young children face this type of stress it can cause long-term physiological harm.[ii]
- While Maryland's public schools are today on a much stronger footing than they have been in a long time, the new Blueprint for Maryland's Future plan omits, delays, or only partially implements reforms that would have strengthened opportunities for children facing economic hardship or the impacts of structural racism. In addition, history warns us that policymakers could scale back investments in education in response to future fiscal challenges. This is what happened beginning in 2008 when the state chipped away at earlier reforms, leaving schools in a weaker position to provide an excellent education.[iii]



- As today's children grow up and pursue higher education, they face high and rising tuition costs—in large part because of inadequate state investments in public colleges and universities. Tuition at public four-year colleges and universities in Maryland increased by 14% from 2008 to 2019 (adjusted for inflation), while inflation-adjusted community college tuition increased by 20%.[iv] During the same period, typical households in Maryland saw their inflation-adjusted incomes increase by only 3%.[v]

Advancing opportunity

There are steps Maryland policymakers can take to better set up future generations for success.

- Strengthening supports to ensure that every child grows up with sufficient nutrition in a safe home free from toxic stress will lower hurdles that can hinder children's lifelong development.
- More equitable and reliable investments in public schools will ensure that a child's race or ethnicity or the place where they grow up does not determine their educational opportunities.
- And making higher education truly affordable will unlock opportunities for every child to pursue their dreams.

INVESTING IN RELIABLE TRANSPORTATION



Roads, transit systems, water and sewer lines, and other basic infrastructure are the backbone of communities and their function is critical to our economy. However, state choices about where to invest in infrastructure projects have often left out some communities, particularly Black and Brown communities. One important tool for building more equitable and sustainable infrastructure in Maryland includes improving public transportation services. Low-income Marylanders and Marylanders of color disproportionately suffer from inadequate public transportation services and lack internet access and tools, making it all the more vital that these issues are addressed as we work towards a more equitable Maryland.

Transportation Challenges

Prosperity in Maryland depends on effective transportation networks to bring people and goods to and from the market. It is required to obtain and maintain a well-paying job, as you have to be able to get there in order to work. A 21st century transportation system needs to integrate and accommodate a variety of methods of transportation.

- Nearly a quarter of trains and other transit vehicles in the state are past their useful life.[i] This is a problem, as broken-down vehicles cause delays and make public transportation less safe for those taking advantage of the service as well as the general public.
- In 2015, Governor Hogan cancelled the planned Red Line light rail which would have made it easier for people (and especially those without their own car) living in West Baltimore to access jobs and services.[ii] Instead, neighborhoods were destroyed and there was no Red Line light rail to show for all the destruction.

- As a result of past transportation and housing policy decisions, research shows that Black workers in Maryland lose more time each year to long commutes compared to white workers. Marylanders of color have fewer cars than white Marylanders on average and are more likely to live in areas that are less suitable for driving due to congestion and expensive parking, which means public transportation is especially important to Marylanders of color.[iii] Research shows that Marylanders who take public transportation spend an extra 66.3% of their time commuting and three times as many Marylanders of color depend on public transit as white residents.[iv]

Opportunities to Improve Access

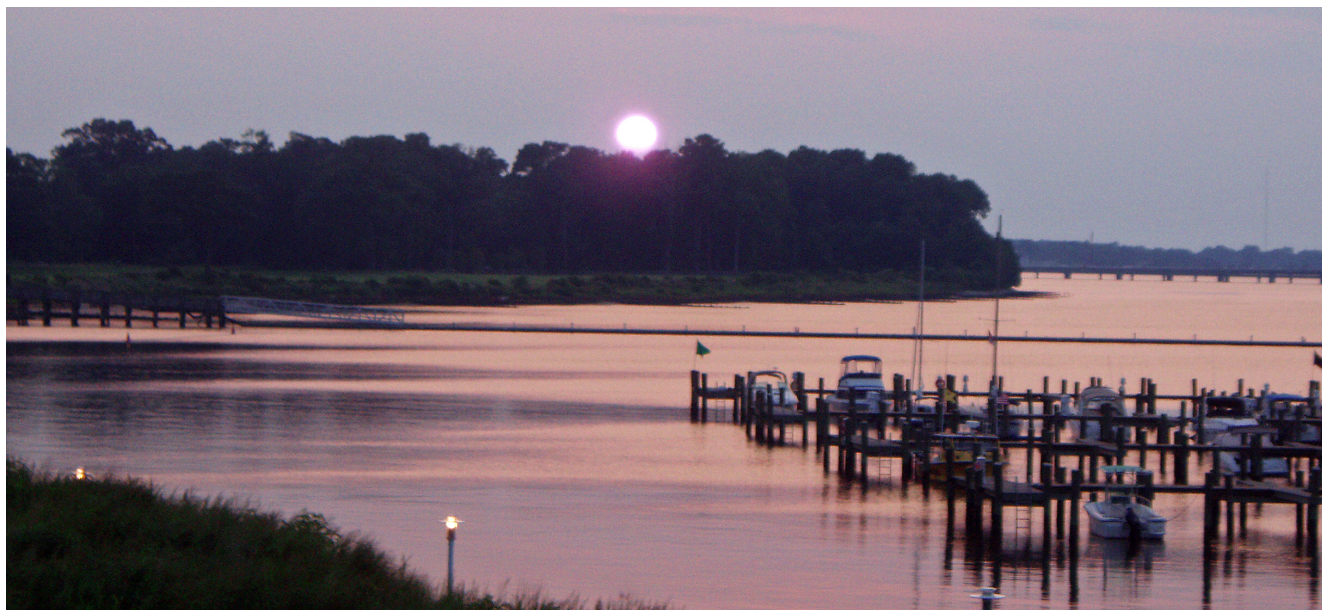
Federal funding from the 2021 American Rescue Plan and infrastructure funding bills, in addition to recent state legislation focused on repairing and improving Metro, MARC and MTA service, have created an opportunity to make significant strides toward a more efficient transportation network. What else can be done to address the state’s transportation needs?

- Improve bus service - More buses should be put on the road to increase frequency of buses travelling a route. Tools like bus rapid transit, dedicated bus lanes or traffic signals that give priority to buses can help provide much faster, more efficient bus service to Marylanders who depend on public buses as their method of transportation. Additionally, improved bus service should be targeted to areas with longest average commutes (such as Prince George’s County) and widest difference in commute times between white and Black residents (such as East and West Baltimore).[i]
- Increase access to cars – Low-cost insurance policies should be made available to those who are priced out of private insurance options. Also, counterproductive practices such as suspending drivers licenses for unpaid fines should be eliminated as it creates a problematic cycle that makes it harder for people to afford and maintain the legal ability to drive.[ii]
- Address residential segregation - The most influential tool to address transportation isn’t actually within the realm of the state transportation budget. Even when controlling for income, Black Marylanders tend to live in lower-income, higher-poverty neighborhoods than their white counterparts. This has a great impact on transportation as it means Black Marylanders are more likely in positions in which they have to rely on public transportation. Maryland should invest in affordable and integrated housing and work to eliminate discrimination by landlords.[iii]



Listening session participants in Prince George’s and Montgomery Counties shared frustrations with sprawling development far outside transit centers, without reliable bus service, forcing more car traffic and long commutes.

ADDRESSING CLIMATE CHANGE TO PROTECT HEALTH, SAFETY AND OPPORTUNITY



Climate change will have significant social and economic impacts globally, nationally, and in the state of Maryland and we have the opportunity and responsibility to address it. Climate change consequences include rising sea levels, increasing temperatures, as well as more frequent and intense natural catastrophes. These are likely to damage critical infrastructure, lower workforce performance, and impede economic growth. Unless this issue is addressed promptly both by global changes that mitigate the impacts of climate change and through regional policies to adapt to its effects, climate change threatens to wreak havoc on property, resources, and the prosperity of state, national, and global economy both now and going forward.

Maryland's Eastern Shore communities are particularly threatened by the effects of climate change, but communities across the state will face new challenges as well:

- Maryland boasts a total of 4,000 miles of shoreline along the Chesapeake Bay, the Atlantic Ocean, and the Potomac River. The unique topography of our state makes all Maryland residents, not only those in coastal regions, particularly susceptible to the impacts of rising sea levels. A statewide impact has been the reality as flooding attributed to climate change is not only an issue on the Eastern Shore, but has affected communities across the whole state of Maryland. Over the past few years extreme rain events that can be connected to climate change have destroyed buildings, business, and homes in Ellicott City and the Baltimore-Washington, D.C. region. Further inland in Frederick, recent flooding has caused millions of dollars of damage to MARC rail lines as well as roads, businesses, and homes.[i]

- Flooding is far from the only environmental concern in Maryland. Maryland has the worst air quality on the East Coast so making a shift towards cleaner energy and reducing greenhouse gas emissions is crucial.[i] Additionally, low-income residents and people of color bear a disproportionate share of the consequences of the climate crisis, and are overwhelmingly affected by air pollutants and the carbon dioxide emissions driving climate change.
- Coastal flooding also threatens industries that are central to the economies of the Eastern Shore. The agriculture industry is threatened by the saltwater that has been making its way into farmland, resulting in soil that is less hospitable and fertile to grow crops. Additionally, the seafood industry is at risk from the rising temperatures and sea levels that lead to the loss of coastal habitats that sustain food sources for many fish and crabs as well as raising the ocean acidity which has made the shellfish population more vulnerable. Likewise, the tourism industry will be affected as rising sea levels erode and even destroy sand beaches, which are a significant source of income for coastal communities.[ii]



Continuing a Trend of Climate Progress

Maryland policymakers have established bold goals for reducing carbon emissions in the state and taken other steps to address climate change. In the most recent legislative session, the General Assembly passed the Climate Solutions Now Act, which calls for a 60% reduction in climate-warming carbon emissions by 2031 and net-zero emissions by 2045. Among other provisions to accomplish this goal, the legislation proposes significantly reducing energy use for public buildings and converting state-owned vehicle fleets to electric vehicles.

What else can be done to combat climate change in the state?[i]

- Local governments should take on state infrastructure standards - The state passed a law in 2018 that raised standards of infrastructure projects to ensure that they could withstand climate-related flooding
- Communities on the front lines should be protected - Both state and local policymakers need to be intentional about protecting those who are at the greatest risk (low-income and families of color)
- Prepare for the worst - climate change comes with uncertainty and there needs to be preparation for that at both the state and local level
- Going beyond electricity generation - Putting greater focus on public transit will enable the state to reduce its reliance on fossil fuels after renewable energy generation opportunities are exhausted
- Linking public investments to high-quality jobs - renewable energy infrastructure projects should include training and worker protections to ensure that these sustainable investments create high-quality jobs
- Modernized Infrastructure - Repairing aging water and gas systems would provide significant health and safety benefits.

INVESTING IN SAFE, JUST, AND THRIVING COMMUNITIES



What does a thriving community look like? Every Marylander will likely answer this question differently, but most of us would agree on a few essential ingredients:

- **Opportunity:** In a thriving community, there are plenty of good jobs, children grow up in healthy homes, and the neighborhood school offers a world-class education.
- **Safety:** In a thriving community, people feel secure in their homes. Parents don't have to worry that their kids will be killed by a stray bullet on their way to school or struck by a distracted driver while crossing the street.
- **Justice:** In a thriving community, we don't dole out needless suffering, and who you are—your race or ethnicity, or another aspect of your identity—doesn't determine which doors are open to you and which ones are locked.

Our system of laws is supposed to help achieve that. But the legal system we have today too often relies on coercion and punishment rather than investing in communities and good jobs. And because our criminal legal system has deep roots in white supremacy, this misguided approach disproportionately harms Black and Indigenous Marylanders as well as Marylanders born outside the United States. Maryland's reliance on incarceration is staggeringly high in comparison to historical and global norms:

- At the end of 2019, Maryland state prisons confined 18,900 people.[i] Marylanders were more than twice as likely to be imprisoned in that year as they were in 1970.[ii]
- Another 11,100 Marylanders were held in local jails in 2018 (the most recent year for which data are available). About two-thirds of them had not yet stood trial.[iii]

Discriminatory policies and practices within the criminal legal system combine with structural economic barriers to put Black and Indigenous Marylanders behind bars at far higher rates than their white counterparts. Seven out of every 10 people incarcerated in Maryland prisons are Black, and Indigenous Marylanders are three times more likely than their white counterparts to be incarcerated in state prison.

Poverty to Prison

Strong evidence links financial hardship to a higher risk of being incarcerated. [i] Studies have linked criminalized activity to job loss, long-term unemployment, volatile or transient employment, lack of geographic access to jobs, and income inequality. Researchers generally find that low wages are the strongest predictor of engaging in criminalized activity.

- Maryland’s legal system also includes multiple features that effectively criminalize poverty.[ii]
- For example, fines that might merely inconvenience a wealthy individual have a much greater impact for someone who is already struggling to afford the basics—meaning that even a small matter such as a traffic stop can eat into money needed to pay rent or buy groceries. If a person cannot afford to pay a fine, punitive policy responses such as driver’s license suspension can then force a person to choose between driving illegally and losing their job.
- Underinvestment in public defense undermines the promise of due process for people who have been accused of a crime and can’t afford a pricy defense attorney. A 2018 analysis by the state found that the Maryland Office of the Public Defender would need an additional 109 positions to perform effectively.[iii]



A Foundation to Build On

- Partly as a result of the Justice Reinvestment Act, Maryland’s prison population has declined significantly in recent years. The share of Marylanders incarcerated in state prisons fell by 21% between 2009 and 2019.
- A bill enacted during the 2021 legislative session prohibited life without the possibility of parole as a sentence for people convicted of crimes committed while they were children.
- The legislature passed a package of bills in 2021 to address violence and other misconduct by police. This legislation increases the role of civilians in investigating charges of police misconduct, increases transparency around officers’ disciplinary records, and establishes statewide rules for police use of force, in addition to enacting other reforms.

Policymakers can do more to move Maryland toward a vision of safe, just, thriving communities:

- Shifting spending from police and incarceration to investments in basics like schools, parks, and transportation would lower the social and economic barriers that can push people toward criminalized activity.
- Ensuring that jobs pay a living wage and provide decent benefits would enable more workers to get by without turning to the underground economy.
- Comprehensive sentencing reform would bring us closer in line with effective, less draconian legal systems around the world.

“I was born in West Baltimore in 1967 and it basically looks the same now as it did then. The money never gets there.”

- Baltimore region listening session participant

SUPPORTING THRIVING COMMUNITIES

Creating a vibrant future for every Marylander



No matter what we look like or where we come from, most Marylanders believe in working hard to care for our families and leave things better for those to come. We all want and deserve to live in communities where our kids can get a good education, our families can get good health care, and it's easy to get around.

The state budget is an important tool for making this vision a reality. But too often the budget decisions state policymakers make are more influenced by the interests of corporate lobbyists and wealthy political donors than what's best for everyday Marylanders. This matters because choices about how we use our shared resources affect children's education, economic security for families and communities, and public health and safety. These choices also have the potential to advance or to hinder racial, ethnic and other forms of equity in Maryland.

Today, Maryland's fiscal health is good, thanks to multiple rounds of pandemic relief funds coming from the federal government. However, we must prepare for the challenges to come.

- Prior to the pandemic, Maryland families were feeling the effects of more than a decade of policymakers under-funding public services. The failure to restore funds cut during the Great Recession left many students attending schools without enough teachers and supportive services, caused local health departments to cut back on services, and reinforced barriers to accessing safe, affordable housing, among other challenges.
- Low-income and Black and Brown communities often see the greatest harm from these policy choices. For example, past cuts to education funding meant that by 2017, more than half of Black students in the state attended a school that had significantly less funding than the state's own standards.

Recent Progress

When Marylanders come together, we can take bold actions that improve the quality of life for all of us. For example, in recent years we have:

- Increased funding for all school districts in the state, with a particular focus on schools that have been left behind by past decisions to cut back on funding
- Provided significant economic relief to low- and moderate-income families and small businesses as they try to recover from the effects of the pandemic
- Passed a constitutional amendment and made other changes that will make the state's budget process more transparent and accessible for Marylanders who want a say in how the policymakers invest our shared resources



Funding Our Futures

At the same time, once the federal relief funds run their course, we will be left with a tax system that doesn't provide adequate resources to fully support all of the things our communities need to thrive, like schools, public health, transit, and environmental protections. That's because wealthy corporations and other powerful special interests have convinced lawmakers to create loopholes and special tax breaks that allow them to avoid paying what they truly owe for the public services they benefit from.

- The wealthiest 1 percent of Marylanders pay a smaller share of their income in state and local taxes than everyone else.
- Large, profitable corporations are able to exploit loopholes in our tax code to reduce their Maryland tax responsibility. Each year, about one-third of the 150 largest corporations operating in the state pay zero income taxes, despite the roads, emergency services, and other services they rely on to run their businesses.
- These policies overwhelmingly benefit white households, who are much more likely to have significant built-up wealth, at the expense of public investments that would benefit all of us.

Maryland families deserve a fair tax system that holds corporations and the ultra-rich accountable and ensures that all of our communities have what they need to thrive.

- **A fair income tax**, which would help fix our upside-down tax system by reducing taxes for low- and moderate-income families and asking the highest-income households to pay their fair share
- **Closing corporate tax loopholes**, as the majority of other states have already done, to ensure large, multi-state corporations contribute to the public services they benefit from and level the playing field for small, Maryland-based businesses
- **Taxing income earned from built-up wealth more like income earned from work**. There are a number of ways the federal and state tax system favors income earned from wealth, such as investments in the stock market, over income earned from work by taxing it at a lower rate. Proposals like restoring the tax on multi-million-dollar estates would help address this.