

Public Hearing Fiscal Year 2026 Operating Budget April 9, 2025

On behalf of the Montgomery County Chamber of Commerce (MCCC), we appreciate the opportunity to present our priorities regarding the FY 26 Recommended Operating Budget. Our foremost priority is to support investments that create jobs, stimulate economic activity, and enhance the quality of life in Montgomery County. However, it is crucial to achieve this while exercising fiscal discipline and responsible budgeting that prevents the need to propose tax increases. We urge Councilmembers to focus on curbing the growth of the County's budget and reducing expenditures where feasible.

Say No to Property Tax Increase

The Chamber firmly opposes the proposed 3.4% property tax increase proposed in the FY26 budget. We request that the County Council remove this tax increase from the draft budget. County businesses and residents are struggling to afford Montgomery County as a home. In recent years, businesses and residents have seen their costs increase significantly, which makes the County a less desirable place for businesses and harms economic growth. In just the previous three years we have seen increases in property taxes and recordation taxes. Additionally, it is more expensive than ever to do business in the County due to anti-growth policies such as rent control, high energy taxes, and compliance with building energy performance standards. Continuing on this path is unaffordable and harms the County's competitiveness.

Remove Systems Benefits Charge Increase

The Chamber strongly opposes the fee increase to the systems benefit charge as proposed in the FY26 budget. This increased fee will hit residents and businesses especially hard. Under the proposal, single-family homes would pay a 31% increase, multi-family properties would pay 104.4% more, and commercial properties would see an increase of 104.9%. The fee is meant to help close the County's waste-to-energy facility, but it is unclear how the County's waste disposal needs will be met without the facility, nor is it clear what it will cost to build another waste disposal solution. Now is not the time to raise fees on our residents and businesses or to undertake a massive new capital project of uncertain cost.

Growing Economic Activity

Montgomery County's economy is experiencing virtually no growth, and that needs to change. Part of the solution is a strong economic development infrastructure, and for that reason MCCC supports the \$5.3 million allocation for the Montgomery County Economic Development Corporation (MCEDC). We strongly believe in MCEDC's mission and contend that their funding is an investment in the County's ability to grow jobs and economic activity. Without appropriate funding for MCEDC, the County will become less competitive, and future economic growth and job creation efforts will falter. Additionally, MCCC prioritizes investments in our innovation sector, including the life sciences and technology industries, which are supported by the \$4.6 million allocated to incubator programs.

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Investment in Talent and Workforce

The County must grow its ability to attract and retain a talented workforce. For this reason, MCCC supports investments in education through a responsible and affordable Montgomery County Public Schools (MCPS) budget. MCPS plays an important role in creating a talented workforce for both today and the future. MCCC also supports Montgomery College and their budget request so they can continue to create and prepare a local workforce that meets the needs of employers and the overall economy. It is imperative that Montgomery College has the resources to carry out their mission and keep tuition and fees affordable. Another important workforce factor is child care. MCCC supports programming such as the Working Parents Assistance and the County's Supplement to the State Child Care Scholarship Program, which allows people to afford quality child care while they work.

As always, MCCC looks forward to partnering on ways to move Montgomery County forward. As you continue your important work, please do not hesitate to reach out to us if we can be of assistance.

The Montgomery County Chamber of Commerce (MCCC), on behalf of its members, champions the growth of business opportunities, strategic infrastructure investments, and a strong workforce to position Metro Maryland as a premier regional, national, and global business location.

Established in 1959, MCCC is an independent, non-profit membership organization.

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