



THE VOICE OF MONTGOMERY COUNTY BUSINESS

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Public Hearing on FY18 Operating Budget
April 5, 2017
Testimony by Georgette "Gigi" Godwin
Montgomery County Chamber of Commerce

Thank you for the opportunity to be here today. We attend this hearing every year to advocate on behalf of our members who are employers, tax payers, and community supporters. In this time of general uncertainty, one thing is clear: we must support job creators.

The highlights of our testimony include:

- **Invest in...**Public Safety, Economic Development, Transportation, Education
- **Mitigate costs...**Implement fair, consistent and predictable rules, regulations and laws; Reduce last year's historic increase in the property tax; and Reduce the increased fuel energy tax
- **Build for the future...**Support innovation and Make it possible for employers to attract top talent – the raw material of 21st century success.

Many of you attended the MCCC Public Safety Awards which recognized incredible acts of courage and self-sacrifice. The room was full of community and business leaders committed to our community. Our board, members, sponsors and guests understand that that we can only succeed when the community is safe, services are available and everyone can enjoy a high quality of life. We rely on public safety, education, transportation and economic development as the foundation to a strong community. Our employers make much of that possible by creating access to career opportunities for our residents and by contributing to the tax base that funds our county government.

It is essential that the Operating Budget invests in making Montgomery County the best place to start and grow a business. The County Executive prudently raises the issue of uncertainty at the Federal level and the potential impacts on our local economy. Reducing costs borne by employers and containing spending are key to bracing for uncertain times ahead.

Businesses – particularly those engaged in government contracting – will be among the first to feel the full force of cuts, as will any business that includes government contractors among its list of customers or clients. This is especially concerning because many of our County's contractors are also the leading technology and service innovators who are developing next generation products and services. They

rely - and our County's economic success is therefore dependent on – the ability to attract and retain top talent to continue the work of developing solutions for the world's most pressing challenges.

As the important missions carried out by the dozens of federal agencies located in Montgomery County are impacted, the ripple effects will be felt by federal employees who live in Montgomery County and landlords who lease space to the federal government. This will have a direct impact on tax revenues and the Montgomery County Government's ability to deliver critical services.

With these concerns in mind, our County government must mitigate our collective exposure to such vulnerabilities. It is imperative that this budget and your legislative actions together create an environment that is conducive to business growth and the creation of more jobs.

MCCC advocates at the State and Federal level for fair, consistent and predictable standards that lead to greater business growth and success which frequently translates to more jobs in the local economy. These ideas were outlined in the Augustine Commission's recommendations at the State level and are applicable in Montgomery County as well.

Montgomery County businesses need to remain competitive if they are going to be able to navigate in a disrupted marketplace. First and foremost, we urge you to contain the cost of doing business in Montgomery County. We appreciate the County Executive's recommendation to reduce property taxes after last year's increase above what he proposed. Secondly, we request that you reevaluate maintaining the artificially elevated fuel energy tax that was increased many years ago and has not been sunset as promised. This increase affects everyone but hits non residential (that is business) the hardest.

We encourage you to continue to support and expand the economic development fund, the Montgomery County Economic Development Corporation and WorkSource Montgomery, all important aspects of building and supporting an environment that generates more 'net new' activity. We must proactively support our most valuable asset – our people – and develop talent that will in turn attract companies to locate and grow here if we are going to sustain the tax base needed to fund this and future budgets.

In conclusion, now more than ever we need the private sector made up of amazing individuals and entities to succeed in order to sustain the quality of life we value. We expect that you, members of the County Council, will prudently invest in key pillars of a strong community, focus on supporting business success, and exercise restraint by staying within the parameters of the budget proposed by the County Executive.