

Ehrlich, O'Malley battle over jobs, transportation to win Montgomery voters

By: **Hayley Peterson**
Examiner Staff
September 24, 2010

State's richest county critical in governor's race

To win over voters in Montgomery County, a liberal bastion considered critical in the Maryland governor's race, Republican Bob Ehrlich will have to tap into their anger about anemic job creation, the millionaire's tax, a faltering transportation system, and the county's paltry share of state funding, campaign analysts say.

Ehrlich, they say, could win the governor's mansion over Democrat Gov. Martin O'Malley if he can pick up 40 percent of votes in the state's largest and wealthiest county -- where Democrats outnumber Republicans 2-to-1.

He won 37 percent of votes in Montgomery in 2006, compared with Gov. Martin O'Malley's 62 percent.

"It's an uphill battle," said Paul Hernnson, director of the Center for American Politics and Citizenship at the University of Maryland. "But to win this election, Ehrlich has to do well in Montgomery."

Maryland voters overwhelmingly prioritize jobs and the economy in how they will vote in November, according to the latest Rasmussen Reports poll -- which has the two candidates at a statistical dead heat.

Montgomery Republican Chairman Mark Uncapher said those issues resonate in Montgomery, which has lost out to rival Fairfax County for the high-profile corporate headquarters of Hilton Hotels and defense contractor Northrop Grumman.

"Fairfax is only slightly larger than Montgomery but it has 200,000 more jobs than Montgomery," Uncapher said, citing a 2010 U.S. Bureau of Labor Statistics report. "Many, many families in Montgomery have long commutes every day to Virginia because that's where the jobs are."

Ehrlich has promised to cut sales and corporate income taxes to attract and keep more businesses, but he hasn't identified a source of revenue to plug the hole.

O'Malley stands by a five-month decline in the state's unemployment rate through July

-- the state has gained 33,000 jobs since January -- and says without his 2007 sales tax increases, the state would be deeper in debt. He also points to Maryland's No. 2 ranking in the U.S. Chamber of Commerce's list of entrepreneur-friendly states.

But his rhetoric took a blow last week, when the Bureau of Labor Statistics showed Maryland's unemployment rate rose in August from 7.1 percent to 7.3 percent -- one of two states to show increases larger than 0.1 percent -- reflecting more than 5,000 residents who lost their jobs.

Taxes are critical for Montgomery residents, who complain they get a meager 16 to 18 cents back in services for every dollar they contribute to Maryland. The disparity is created by formulas that favor counties with lower property values and income levels.

"That, on top of the millionaire's tax, blew a hole in Montgomery County's budget," said Maryland GOP spokesman Ryan Mahoney. "Then you saw a lot of Montgomery residents leave because they couldn't afford to live there anymore."

The number of residents with an annual income of at least \$1 million who filed tax returns in the first year the tax took effect dropped 28 percent.

Ehrlich says he will tweak the formulas to give Montgomery residents more bang for their buck, but hasn't said how that would affect other jurisdictions.

He has promised to restore \$160 million in cuts to counties' highway user revenues, which fund road maintenance and construction projects. He blasts O'Malley for planning to build the \$1.86 billion Purple Line between New Carrollton and Bethesda when the state's transportation infrastructure is "crumbling."

MARC and Metro train malfunctions, excess potholes, and traffic gridlock on Interstates 270 and 495 are more immediate concerns, he argues.

"There are lots of issues with transportation," said Ryan Mahoney, spokesman for the Maryland GOP. "Broken escalators, crumbling roads and traffic in general is important in Montgomery. The I-270-495 split is just brutal."

O'Malley also said he is studying ways to restore highway user revenues to the counties.

Campaign spokesman Rick Abbruzzese says the Purple Line is a winner for O'Malley in Montgomery as an answer to the county's gridlock and an opportunity for economic development.