



# THE PRINCE GEORGE'S COUNTY GOVERNMENT

**Chairman**  
**Derrick Leon Davis**  
Council Member, District 6

The Hon. Joan Carter Conway, Chair  
Senate Ed., Health, and Env. Affairs  
2 West Miller Senate Office Building  
Annapolis, Maryland 21401-1991

The Hon. Kumar P. Barve, Chair  
House Environment and Transportation  
Lowe House Office Building, Room 251  
Annapolis, Maryland 21401-1991

Re: **Bill Position** – HB 1636 (PG 430-17) – Prince George's County - School Facilities and Public Safety Surcharges - Maryland Transit Administration Station – **OPPOSE**

Dear Senator Conway & Delegate Barve:

The Prince George's County Council is concerned when State legislation is introduced that impacts our implementation of tax and fiscal policy, and we are not consulted. **HB 1636 (PG 430-17) – Prince George's County - School Facilities and Public Safety Surcharges - Maryland Transit Administration Station** is one of those such bills. Therefore we have chosen to **OPPOSE HB 1636**; however, we believe that it is imperative that we clarify and justify our concerns about this legislation.

HB 1636 (PG 430-17) – Prince George's County - School Facilities and Public Safety Surcharges - Maryland Transit Administration Station would require Prince George's County to reduce the County's school facilities surcharge by 50 percent for multifamily housing constructed within one-quarter mile of a Purple Line Station and exempts from the school facilities surcharge dwellings within one-quarter mile of a Purple Line Station. As amended, the bill removes the sunset clause from legislation that was enacted by Chapter 685 of the 2013 to create the school facilities surcharge reductions and exemptions.

This Council understands the need for and regularly champions legislation that enables transit-oriented-development. As such, we have supported similar development-friendly legislation this Session: HB 1578 – Prince George's County – Property Tax

**County Administration Building – Upper Marlboro, Maryland 20772**  
**Phone (301) 952-3426 Fax (301) 952-3238**  
**E-mail: CouncilDistrict6@co.pg.md.us**  
**www.princegeorgescountymd.gov**

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Exemption for Economic Development Projects – Sunset Extension. Unfortunately, our consensus is that, at this time, our County cannot utilize what this bill attempts to do. The specific issues that this legislation presents are: (a) it includes an amendment that removes the sunset provision that would give this development incentive an expiration date; (b) there are no Purple Line Stations, nor is there an assurance that there will be in the future, given the uncertainty of the Federal budget; (c) this legislation directly reduces funding for education.

We had considered this legislation in previous weeks and had discussed possibly supporting the provisions of the bill, until the sunset provision was stricken. As the fiscal and policy note indicates on page 5, “the school facilities surcharge and the public safety surcharge will continue to decrease beyond fiscal 2018,” which will depend heavily on the development and may “reduce county revenues by a significant amount.” We cannot comfortably support legislation that may present this type of negative fiscal impact on funds that we dedicate to public school construction and public safety-related projects. Furthermore, we believe that there should not be free-flowing incentives for developers for an indefinite period.

In addition, we cannot rely on the benefits of a *prospective* Purple Line Station, while assuring Prince Georgians that the “wait-and-see” approach is a good decision. Our County is facing budgetary constraints – a structural deficit that finds us constantly juggling to meet the needs of our citizens. As a County, we are defending education funding and funding for the Prince George's County Regional Medical System. As budgetary constraints loom, we cannot afford to make any more concessions to developers who already enjoy certain tax breaks, without first ensuring that adequate resources go toward education, and to maintaining the public's safety.

Although we are able to see the long-term benefits of granting surcharge reductions and exemptions for our County's economic development, we cannot ignore today's reality. This Council has worked hard to change the image that some citizens have of legislators playing fast and loose with taxpayer dollars. Our goal in this

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matter is to be fiscally responsible, while assuring Prince Georgians that we have done all that we can to adequately fund their needs, which includes education; and, that there will be a Purple Line Station from which each County resident will have the opportunity to benefit.

Regards,

A handwritten signature in black ink, appearing to read 'D L Davis', with a long horizontal line extending to the right.

Derrick L. Davis  
Chair

cc:

The Honorable Jim Rosapepe, Chair, PGC Senate Delegation

The Honorable Jay Walker, Chair, PGC House Delegation

The Honorable Ben Barnes, District 21