

**PRINCE GEORGE'S COUNTY COUNCIL  
AGENDA ITEM SUMMARY**

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**Meeting Date:** 6/17/2003

**Reference No.:** CB-31-2003

**Proposer:** Shapiro

**Draft No.:** 1

**Sponsors:** Shapiro, Dean, Knotts, Harrington

**Item Title:** An Act increasing the amount of the School Facility Surcharge, providing for partial credits of amounts required to be paid pursuant to an adequate public facility agreement, and making other amendments concerning the School Facility Surcharge in accordance with State law

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**Drafter:** Ralph E. Grutzmacher  
Legislative Officer

**Resource Personnel:** Cheryl C. Harrington  
Legislative Aide

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**LEGISLATIVE HISTORY:**

**Date Presented:** \_\_/\_\_/\_\_

**Executive Action:** 6/26/2003 S

**Committee Referral:** 5/6/2003 PZED

**Effective Date:** 8/11/2003

**Committee Action:** 6/4/2003 HELD

**Date Introduced:** 5/6/2003

**Public Hearing:** 6/17/2003 10:00 A.M.

**Council Action:** 6/17/2003 ENACTED

**Council Votes:** PS:A, MB:A, SHD:A, TD:A, CE:A, DCH:A; TH:A, TK:A, DP:A

**Pass/Fail:** P

**Remarks:** Retroactive provisions

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**PLANNING, ZONING & ECONOMIC DEV. COM. REPORT**

**6/11/03**

Committee Vote: Favorable with recommended amendments, 4-0 (In favor: Council Members Harrington, Dean, Dernoga and Knotts)

A Proposed Draft-2 (DR-2) of CB-31-2003 was distributed as well as a memorandum dated June 11, 2003, from Council Member Harrington to the PZED Committee members explaining the amendments contained in the DR-2. In summary, DR-2 removes all reference to a credit for a Schools APF fee. The new draft strictly implements changes to the surcharge required by HB 487.

Staff advised that if the committee supported the recommended amendments in DR-2, an amendment sheet would be prepared to incorporate the language after the public hearing and prior to enactment of the bill scheduled for June 17.

**PLANNING, ZONING & ECONOMIC DEV. COM. REPORT****6/4/03**

Held in committee.

This bill amends Subtitle 4 of the Code to bring building permit fees imposed after June 30, 2003 in conformance with House Bill 487. The State bill requires the raising of school facilities surcharges for residential building permits issued after that date. The bill also allows a credit for projects covered by school facilities agreements, so that owners who signed those agreements do not pay the surcharge increase which the bill imposes.

The legislation was discussed along with CB-30-2003 and CR-23-2003, a subdivision bill eliminating the provisions for payment of a per-dwelling unit fee in conjunction with a school facilities adequacy test, and a resolution stating the County Council's intention to revise the criteria for the school facilities adequacy test in accordance with the General Plan for Prince George's County, respectively.

The Planning Board took no position on CB-31-2003. The Legislative Officer found the bill to be in proper legislative form.

The Office of Audits and Investigations determined there should be positive fiscal impact on the County as a result of adopting CB-31. The positive impact on the County will be derived from the increase in the school surcharge from \$5,000 to \$7,000 or \$12,000, depending on area of the County. The increase in revenue will be offset by the elimination of the APF fees from existing school facilities agreements, however, a net gain in revenues should be realized by the County. School surcharge revenues are projected to be \$22.5 million for FY2004 under CB-31-2003, an increase of \$12.5 million from the FY2003 level calculated at \$5,000 per unit. These projections are based on the issuance of 2,000 residential permits. The net increase in revenues will be reduced by the elimination of APF fees of \$5.6 million, resulting in a net gain in revenues of \$6.9 million.

The committee held CB-31 based on their decision to also hold CB-30 and CR-23 until the next committee meeting.

**BACKGROUND INFORMATION/FISCAL IMPACT****(Includes reason for proposal, as well as any unique statutory requirements)**

House Bill 487 was enacted by the General Assembly and is awaiting signature by the Governor.

If signed into law, the school facilities surcharge will increase from \$5,000 per dwelling unit to \$7,000 per dwelling unit in certain areas and \$12,000 per dwelling unit in the remainder of the County. The proposed legislation will amend the fee schedule for building permits to reflect the amendments enacted by State law.

**CODE INDEX TOPICS:**