

#### Chairman Derrick Leon Davis

Council Member, District 6

MAR 28 2017

The Hon. Jim Rosapepe, Chair Prince George's County Senate Delegation James Senate Office Building, Room 314 Annapolis, Maryland 21401-1991

The Hon. Jay Walker, Chair Prince George's County House Delegation Lowe House Office Building, Room 207E Annapolis, Maryland 21401-1991

Re: Prince George's County Delegation Bill Position

Dear Senator Rosapepe & Delegate Walker:

It is my pleasure, on behalf of the Prince George's County Council, to transmit our position on pending proposed State legislation for the 2017 General Assembly Session. The Council met on March 28, 2017. The enclosed report reflects our position on General Assembly bills as they are currently drafted.

The Council appreciates the opportunity to work together with you and your colleagues to address issues important to our citizens and the operation of Prince George's County. Should you have any questions or need additional information please do not hesitate to contact me. For your convenience my office phone number is (301) 952-3426. Thanks again, for favorable consideration of the Council's position.

Sincerely,

Derrick L. Davis

Chair

Enclosures

cc: Hon. Rushern L. Baker, III, Prince George's County Executive

#### **RULES & GENERAL ASSEMBLY COMMITTEE REPORT**

The Rules & General Assembly met as Committee of the Whole on March 21, 2017 with the following Members present:

Council Member, Derrick L. Davis, Chair

Council Member, Dannielle M. Glaros, Vice Chair

Council Member Mel Franklin

Council Member Andrea C. Harrison Council Member Mary A. Lehman Council Member Deni Taveras

Council Member Karen R. Toles Council Member Todd M. Turner

The Council voted for the following positions on these respective bills:

MC/PG 110 HB 321	Maryland-National Capital Park and Planning Commission – Audit Committee and Office of the Inspector General – SUPPORT AS AMENDED
SB 338/HB 578	Vehicle Laws – Pedestrian Hybrid Beacons – SUPPORT AS AMENDED
SB 397/HB 1433	Local Income Tax Overpayments – Local Reserve Account Repayment – Forgiveness – SUPPORT AS AMENDED
SB 809/HB1 1369	Condominiums and Homeowners Associations – Sales of Common Elements and Common Areas – SUPPORT AS AMENDED
PG 407-17 HB 1578	Prince George's County – Property Tax Exemption for Economic Development Projects – Sunset Extension – SUPPORT AS AMENDED



(301) 952-3700 County Council

#### POSITION STATEMENT

MC/PG 110 (HB 321)

Montgomery and Prince George's County Delegation Maryland-National Capital Park and Planning Commission – Audit Committee and Office of the

Inspector General

#### POSITION: SUPPORT AS AMENDED

HB321 - MNCPPC – Audit Committee and Office of the Inspector General creates a 5-member Audit Committee within the Maryland–National Capital Park and Planning Commission (Commission) and establishes an Office of the Inspector General (OIG). Under this bill the Commission's Office of Internal Audit would be reconstituted to become the OIG which would conduct administrative investigations, and budgetary analyses. Additionally, the OIG would be charged with the execution of financial, management, and performance audits. The bill grants the OIG with the authority to subpoena any person or evidence for the purpose of investigating fraud, waste, or abuse within the Commission.

The Council initially questioned the purpose of this bill, reasoning that the duties detailed within the legislation should be carried out by the Internal Auditor. Additionally, the Council expressed concern regarding the fiscal impact this bill would cause the two counties to incur. The Commission has assured this Council that the internal auditors' authority is currently limited, and that these organizational adjustments are necessary to promote efficiency, and effectiveness in the administration of the programs and contracts administered by the Commission, and will assist them with preventing and detecting fraud and abuse within their operations. Further, the Commission advises that the fiscal impact will be minimal, and estimates those costs to be \$45,000 to cover expenses such as outside counsel, subpoena services, etc.

Therefore, the County Council offers a position of **SUPPORT AS AMENDED** on **MC/PG 110-17 (HB 321)** and respectfully requests your favorable consideration of its position.

Prepared by: Tony Perez

LA Perez Consulting Jennifer A. Jenkins



(301) 952-3700 County Council

#### POSITION STATEMENT

(SB 338/HB 578) Senator Manno Delegate Kramer

Vehicle Laws – Pedestrian Hybrid Beacons

#### **POSITION:** SUPPORT AS AMENDED

HB 578 – Vehicle Laws – Pedestrian Hybrid Beacons would allow a local jurisdiction or the State Highway Administration to install a pedestrian hybrid beacon that would operate in accordance with the Federal Manual on Uniform Traffic Control Devices. The bill would also establish rules that would assist with the implementation of the control signals by showing word signals such as "walk," "don't walk," or "wait," in addition to the "walking person" or "upraised hand" symbols.

This legislation would help remedy many pedestrian safety issues and support a "complete streets" approach to transportation and design, which keeps in mind pedestrians, cyclists, and motorists. Research suggests that pedestrian hybrid beacons (also known as High-Intensity Activated crossWalK (HAWKs)) may reduce pedestrian crashes by up to 69 percent and help reduce fatalities near transit stops. In addition, motorists may benefit from the HAWKs by reducing delays at pedestrian crossings by up to 50 percent. Reportedly, most pedestrian fatalities occur at mid-block crossings or on multi-lane roadways at locations where there are no signals. It has also been noted that pedestrian fatalities tend to occur more frequently in urbanized areas.<sup>2</sup>

In 2015, the National Highway Traffic Safety Administration reported that pedestrian fatalities in Prince George's County occurred at a rate of 2.20 per 100,000 persons. We all have a role to play in improving traffic safety, and we recognize that this legislation may help us get there. As we continue development throughout the County, we must keep the "complete streets" concept in mind to ensure the safety of our residents. The Prince George's County Council avidly supports any legislation that would improve pedestrians', cyclists', and motorists' safety. We see no reason to delay or avoid enacting a law that would clearly serve to benefit and protect human life.

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<sup>&</sup>lt;sup>1</sup> Federal Highway Administration. Pedestrian Hybrid Beacon Guide– Recommendations and Case Study: https://safety.fhwa.dot.gov/ped\_bike/tools\_solve/fhwasa14014/fhwasa14014.pdf

<sup>&</sup>lt;sup>2</sup> Prince George's County Health Department. Pedestrian Death Rate: http://www.pgchealthzone.org/index.php?module=indicators&controller=index&action=view&indicatorId=339&localeId=12

# Page 2 Prince George's County Council SB 338/HB 578 – SUPPORT AS AMENDED

Therefore, the Prince George's County Council is pleased to offer its SUPPORT for HB 578 as it is currently amended. We respectfully request your favorable consideration of our position.

Prepared by:

Tia L. Holmes

Strategic Solutions Center, LLC

Jennifer A. Jenkins



(301) 952-3700 County Council

#### **POSITION STATEMENT**

(SB 397/HB 1433) Senator Edwards Delegate Valentino-Smith Local Income Tax Overpayments – Local Reserve Account Repayment – Forgiveness

POSITION: SUPPORT AS AMENDED

SB 397/HB 1433 – Local Income Tax Overpayments – Local Reserve Account Repayment – Forgiveness repeals the requirement that a county or municipality that is determined to have received an overpayment of local income tax revenues pursuant to Chapter 24 of 2016 must reimburse the local income tax reserve account for the amount of the overpayment. The bill also specifies that it is the intent of the General Assembly that the Comptroller return from the local income tax reserve account any reimbursement payment made by a county or municipality pursuant to Chapter 24.

Every year the Comptroller distributes to each county, municipality, and special taxing district its share of income tax revenue. Due to address misclassifications, some municipalities have received overpayments with a corresponding amount of underpayments to other municipalities. Repealing the requirement that local jurisdictions repay these overpayments of local income tax revenues in FY 2024 through 2034 will prevent revenue losses of approximately \$21 million for those jurisdictions.

For certain, those municipalities that were advised that due to coding errors, they had made an overpayment, were happily awaiting a reimbursement check. But for those municipalities that were advised of an underpayment, the realization of the State's error for them was quite grim. The costs associated with repayment would have a negative impact against their budgets for many years to come. And so, this bill forgives the income tax debt triggered by income tax overpayments made by the State to municipalities, repeals the requirement to pay this back to the State, and reimburses any jurisdiction that has already made a repayment. According to the Comptroller, each of Prince George's County's 27 municipalities are impacted.

## Page 2 Prince George's County Council SB 397/HB 1433 – SUPPORT AS AMENDED

Therefore, the Prince George's County Council appreciates the opportunity to give assistance to our municipalities by offering our **SUPPORT** for SB 397/HB 1433 **as it is currently amended**. We respectfully request your favorable consideration of our position.

Prepared by:

**Tony Perez** 

LA Perez Consulting Maurice Simpson Jennifer A. Jenkins



(301) 952-3700 County Council

#### POSITION STATEMENT

(SB 809/HB 1369) Senator Muse Delegate Proctor Condominiums and Homeowners Associations – Sales of Common Elements and Common Areas

#### POSITION: SUPPORT AS AMENDED

SB 809 – Condominiums and Homeowners Associations – Sales of Common Elements and Common Areas requires the governing body of a condominium or homeowners association, or, if the developer has not transitioned control to the unit or lot owners, the declarant, to provide notice to all unit or lot owners (1) before the sale of any common area owned by the condominium or homeowners association at a tax sale and (2) when a tax lien is imposed on any common area owned by the condominium or homeowners association.

The County Council supports this bill as it will protect homeowners against the sale of common ownership properties. Under current law, unit owners of a condominium or the lot owners of an HOA of a tax lien imposed on common elements or common areas are not notified of a tax sale of those common elements or common areas.

Recently, this Council learned that one of its communities lost 3 parcels of common area property, comprising more than 22 acres of land, at a tax sale. The total purchase price for all 3 parcels was less than \$1400. Neither the Developer nor the Association provided notice of the tax lien or the notice of the impending sale to the lot owners. This is unacceptable. This lack of notification denied these interested community members an opportunity to intervene to prevent the sale to a 3<sup>rd</sup> party.

Notification of a potential loss of common property to all parties that have an interest is critical to keeping communities intact and ensuring that a community's value is not diminished.

Therefore, the Prince George's County Council appreciates the opportunity to offer its **SUPPORT** for SB 809 **as it is currently amended**. We respectfully request your favorable consideration of our position.

Prepared by: Tony Perez

LA Perez Consulting Maurice Simpson



(301) 952-3700 County Council

#### **POSITION STATEMENT**

PG 407 (HB 1578) Prince George's County Delegation On Behalf of the County Executive Prince George's County – Property Tax Exemption for Economic Development Projects – Sunset Extension

#### POSITION: SUPPORT AS AMENDED

HB 1578 - Prince George's County - Property Tax Exemption for Economic Development Projects - Sunset Extension extends the June 30, 2017 sunset provision of Chapter 402 of 2012 to June 30, 2021. Chapter 402 authorized Prince George's County, by Council resolution, to exempt certain economic development projects located in designated focus areas from county real property taxes. The bill also extends a specified reporting deadline regarding the implementation of Chapter 402 from December 31, 2016, to December 31, 2018.

The County currently provides a property tax exemption if (1) the owner or owners of the economic development project demonstrate to the satisfaction of the County Executive and County Council that the County, or its designated agency has conducted an economic analysis of the project; (2) the owner or owners of the economic development project and the county enter into a specified Payment In Lieu Of Taxes (PILOT) agreement; (3) prior to or no later than 18 months from the date of entering into the PILOT agreement, construction of the project has commenced and all conditions for the financing required for the construction of the project have been satisfied or waived; and (4) the authorizing resolution states that the project may not involve gambling activities.

This bill is designed to provide another tool in the County's toolkit to attract economic opportunities. The County has used the current authority to jumpstart two projects. One is located near the Prince George's Plaza Metro Station at University Town Center. It is a \$23.5 million commercial development project which has increased the county's commercial property tax base by approximately \$18.1 million, and created 100 full-time jobs and 150 part-time jobs. The other project is a \$165 million mixed-use development located near the New Carrollton Metro Station. This project consists of 113,000 square feet of office space for the Maryland Department of Housing and Community Development, 61,000 square feet of retail space, and 556 multifamily units. This project has increased the county's commercial property tax base by approximately \$38 million and has brought 450 full-time jobs.

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#### **Prince George's County Council**

PG 407 (HB 1578) Prince George's County – Property Tax Exemption for Economic Development Projects – Sunset Extension – SUPPORT AS AMENDED

The County is currently reviewing at least two additional economic development projects, which will be located at transit-oriented development sites near Metro Stations. The incentives provided by this bill are needed to not only move these projects forward, but to encourage, if not entice future development.

Therefore, the Prince George's County Council offer its SUPPORT for HB 1578 as it is currently amended. We respectfully request your favorable consideration of our position.

Prepared by:

Tony Perez

LA Perez Consulting Jennifer A. Jenkins