PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2018 Legislative Session

Reference No.: CR-38-2018

Draft No.: 1

Committee: PUBLIC SAFETY AND FISCAL MANAGEMENT

Date: 6/7/18

Action: FAV

REPORT: Favorable 5-0 (In Favor: Council Members Davis, Taveras, Lehman, Patterson, and Turner)

CR-38-2018 is a Resolution required pursuant to State law adjusting the school facilities surcharge for inflation based upon the Customer Price Index for All Urban Consumers (CPI-U) each fiscal year. The CPI-U for April 2018, compared to April 2017, shows an increase of 2.5%. The increase results in a surcharge of \$233 above the Fiscal Year 2018 school facilities surcharge of \$9,317 for permits issued for buildings between Interstate Highway 495 and the District of Columbia and for permits issued for buildings included within a basic plan or conceptual site plan that abuts an existing or planned mass transit rail station site operated by the Washington Metropolitan Area Transit Authority. For permits for all other buildings, the increase in the CPI-U results in a surcharge increase of \$399 above Fiscal Year 2018 school facilities surcharge of \$15,972.

For Fiscal Year 2019 the surcharge shall be \$9,550 for permits issued for buildings between Interstate Highway 495 and the District of Columbia and for permits issued for buildings included within a basic plan or conceptual site plan that abuts an existing or planned mass transit rail station site operated by the Washington Metropolitan Area Transit Authority; and \$16,371 for permits issued for all other buildings.

Lastly, please note Chapter 685 of the 2013 Laws of Maryland allowed for the school facilities surcharge to be reduced by 50% for permits issued for multifamily housing constructed within an approved Transit District Overlay Zone; where there is no approved Transit District Overlay Zone, within one-quarter mile of a Metro station; or within the Bowie State MARC Station Community Center Designation Area, as defined in the approved Bowie State MARC Station Sector Plan and Sectional Map Amendment. This provision of State law sunsets in FY 2019 on September 30, 2018. This change in law is noted in the resolution.

Stanley Early, Director, Office of Management and Budget, provided the Committee an overview of CR-38-2018.

The Office of Law reports CR-38-2018 to be in proper legislative form with no legal impediments to its adoption.

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The Office of Audits and Investigations reports that the adoption of CR-38-2018 may increase County revenues by an estimated \$572,000 in FY 2019, based upon an estimated 1,517 permits subject to the surcharge.

After discussion, the Public Safety and Fiscal Management Committee reported CR-38-2018 out favorably, 5-0.