



THE PRINCE GEORGE'S COUNTY GOVERNMENT


Office of Audits and Investigations

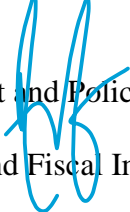
October 20, 2021

FISCAL AND POLICY NOTE

TO: Robert J. Williams, Jr.
Council Administrator

William M. Hunt
Deputy Council Administrator

THRU: Josh Hamlin 
Senior Legislative Budget and Policy Analyst

FROM: Arian Albear 
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CR-082-2021

CR-082-2021 (*Proposed by: County Executive; Introduced by: Council Members Hawkins, Franklin, Anderson-Walker, Glaros, Taveras, Harrison, Davis, and Ivey.*)

Assigned to the Committee of the Whole

A RESOLUTION CONCERNING DEPARTMENT OF PERMITTING, INSPECTIONS AND ENFORCEMENT for the purpose of increasing all fees maintained by the Department of Permitting, Inspections and Enforcement, with such increase to be approved by the County Council after notice and public hearing.

Fiscal Summary

Direct Impact

Expenditures: No additional expenditures likely.

Revenue: Significant increase in revenue.

14741 Governor Oden Bowie Drive, Upper Marlboro, Maryland 20772
VOICE (301) 952-3431; FAX (301) 780-2097; TDD (301) 925-5167

Indirect Impact

Potentially positive.

Legislative Summary

CR-082-2021¹, proposed by the County Executive and sponsored by Council Members Hawkins, Franklin, Anderson-Walker, Glaros, Taveras, Harrison, Davis, and Ivey, was introduced on 14 September 2021 and referred to the Committee of the Whole. CR-082-2021 would increase all fees maintained by the Department of Permitting, Inspections, and Enforcement (DPIE) by 10%.

Background/Current Law

Section 2-256.63 of the Prince George's County Code² authorizes the Director of DPIE to establish and maintain a comprehensive Table of Fees for all types of permits. The Section enables the Director to change the fees, as necessary, following the following procedural requirements:

“Prior to implementing a change in the fees, the Director of the Department of Permitting, Inspections and Enforcement shall [1)] hold public informational sessions to allow for public comment as part of this process. The Director shall [2)] also submit the proposed Table of Fees to the County Executive for approval and for transmittal to the County Council for legislative review and approval by resolution, after notice and public hearing.”

The last major general increase to the Table of Fees was established under CB-41-2015. Since FY 2016 when the bill took effect, only changes to modify specific fees have occurred.

Additionally, all fees, excepting multi-family and single family rental license fees, are subject to a 5% technology fee.

Resource Personnel

- Melinda Bolling, Director, Department of Permitting, Inspections, and Enforcement
 - Lori Parris, Senior Advisor, Department of Permitting, Inspections, and Enforcement
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¹ [CR-82-2021](#).

² Prince George's County Code, 2-253.63. – [Fees and Charges](#).

Discussion/Policy Analysis

CR-82-2021 will raise all fees listed in the “Table of Fees,” under Section 2-256.63 by 10%. DPIE personnel noted that this is to bring the fees into closer alignment with those charged in surrounding jurisdictions and to cover the costs of the business activities of the agency.

Any blanket increase in fees brings up concerns regarding equity and accessibility for low-income residents who may not be able to afford the higher prices. Furthermore, any business which may be operating in the County with close profit margins may opt to cease operations or move into a different jurisdiction. Nevertheless, a 10% increase in fees may not lead to many residents closing their business or continuing their activity without a permit or license.

Fiscal Impact

Direct Impact

Adoption of CR-82-2021 should have a positive direct fiscal impact to the County as all DPIE fees would increase by 10%.

For illustrative purposes, below are the DPIE-only revenues collected in the past three (3) fiscal years and their totals with a 10% increase. The increase amounts average around \$3.4 million per year over this period.

Fiscal Year	Amount Collected	Amount Collected (with 10% Increase)	Increase Amount
FY 2021	\$35.6 million	\$39.2 million	\$3,560,000
FY 2020	\$31.4 million	\$34.5 million	\$3,140,000
FY 2019	\$34.7 million	\$38.2 million	\$3,470,000

Indirect Impact

Increased revenue from CR-82-2021 could have an indirect positive impact for the County from increased enforcement of safety regulations as the revenue could be used to hire additional staff.

Effective Date of Proposed Legislation

The proposed Resolution shall be effective forty-five (45) calendar days after it becomes law.

If you require additional information, or have questions about this fiscal impact statement, please reach out to me via phone or email.