

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE
Revised

House Bill 639

(Montgomery County Delegation and Prince George's
County Delegation)

Environmental Matters

Education, Health, and Environmental Affairs

Maryland-Washington Regional District - Boundaries - City of Laurel
MC/PG 111-13

This bill modifies the boundaries of the Maryland-Washington Regional District by excluding the City of Laurel as its boundaries exist on July 1, 2013 (rather than July 1, 2008, as defined under current law).

The bill takes effect July 1, 2013.

Fiscal Summary

State Effect: None.

Local Effect: Maryland-National Capital Park and Planning Commission (M-NCPPC) property tax revenues decrease by less than \$10,000 annually beginning in FY 2014. Expenditures are not affected.

Small Business Effect: None.

Analysis

Current Law: The boundaries of the Maryland-Washington Regional District do not include the City of Laurel, as its corporate boundaries are defined as of July 1, 2008. The boundaries of the Maryland-Washington Metropolitan District do not include the City of Laurel, as its corporate boundaries are defined as of July 1, 1997.

Chapter 303 of 2008 (HB 930) modified the boundaries of the Maryland-Washington Regional District to exclude the City of Laurel, as its corporate boundaries were defined as of July 1, 2008. Prior to the enactment of Chapter 303, the boundaries of the Maryland-Washington Regional District did not include the City of Laurel, as its corporate boundaries were defined as of July 1, 1994.

Background: M-NCPPC is a bi-county agency serving Montgomery and Prince George’s counties that was empowered by the State in 1927 to acquire and administer a regional system of parks within the Maryland-Washington Metropolitan District and administer a general plan for the physical development of the area. In 1970, M-NCPPC became responsible for managing the Prince George’s County public recreation program. M-NCPPC imposes three special property taxes on property in Prince George’s County. The fiscal 2013 property tax rates and revenues for these three M-NCPPC taxes are shown in **Exhibit 1**.

Exhibit 1
M-NCPPC Property Tax Rates and Revenues – Fiscal 2013
Prince George’s County

	<u>Real Property</u> <u>Tax Rate</u>	<u>Revenue</u> <u>Amount</u>
Recreation Tax (Countywide)	\$0.0705	\$58,281,300
Administration Tax (Regional District)	0.0541	43,500,000
Park Tax (Metropolitan District)	0.1544	118,802,700
Total	\$0.2790	\$220,584,000

The recreation tax is imposed countywide. The administration tax is used to fund general administration and planning and is only imposed in the regional district, from which the City of Laurel is mostly excluded. The park tax is imposed in the metropolitan district, from which the City of District Heights, City of Greenbelt, and City of Laurel are mostly excluded.

Local Fiscal Effect: By excluding the City of Laurel as of July 1, 2013, from the regional district, the owners of these properties would not be subject to the regional district administration tax.

M-NCPPC reports that approximately 10 single-family real properties may be affected by the proposed boundary change. Based on fiscal 2013 assessment data, M-NCPPC indicates that commission property tax revenues may decrease by less than \$10,0000 annually beginning in fiscal 2014. However, the actual revenue loss associated with the

changes may be greater depending on the actual number of affected properties and property assessments.

Additional Information

Prior Introductions: SB 553 of 2012 passed the Senate and was referred to the House Rules and Executive Nominations Committee, but no further action was taken. SB 438 of 2011 passed the Senate and was referred to the House Environmental Matters Committee, but no further action was taken. Its cross file, HB 617, was referred to the House Environmental Matters Committee but was withdrawn prior to receiving a hearing. SB 1026 of 2010 received a hearing in the Senate Education, Health, and Environmental Affairs Committee, but no further action was taken. Its cross file, HB 581, was referred to the House Environmental Matters Committee, but no further action was taken.

Cross File: None.

Information Source(s): Montgomery and Prince George's counties, City of Laurel, Maryland-National Capital Park and Planning Commission, Department of Legislative Services

Fiscal Note History: First Reader - March 12, 2013
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