

Department of Legislative Services  
Maryland General Assembly  
2020 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

House Bill 1388

(Prince George's County Delegation)

Environment and Transportation

Education, Health, and Environmental Affairs

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Prince George's County – Public Safety Surcharge PG 412–20

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This bill clarifies that the reduced public safety surcharge amount in Prince George's County applies to specified residential housing constructed in (1) the Transportation Service Area 1 *or* (2) an area included in 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 (WMATA) or the Maryland Transit Administration (MTA). **The bill takes effect July 1, 2020.**

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Fiscal Summary

**State Effect:** None.

**Local Effect:** None. The bill codifies current practice regarding the application of the public safety surcharge in Prince George's County. Prince George's County advises that to qualify for the reduced public safety surcharge amount, the residential construction only needs to be in one of the areas referenced in the bill and not both as required under legislation enacted in 2019.

**Small Business Effect:** None.

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Analysis

**Current Law:** Chapter 351 of 2019 made several changes to the Prince George's County public safety surcharge, including altering the area that qualifies for a reduced surcharge amount. Under the legislation, a reduced surcharge amount is imposed on construction in (1) the Transportation Service Area 1 *and* (2) an area included in a basic plan or conceptual

site plan that abuts an existing or planned mass transit rail station site operated by WMATA or MTA.

**Background:** Prince George’s County imposes a public safety surcharge on new residential construction for which a building permit is issued by the county. The surcharge amount totals \$7,541 in fiscal 2018, \$7,723 in fiscal 2019, and \$7,885 in fiscal 2020. The county imposes a reduced surcharge amount on construction in (1) the Transportation Service Area 1 *and* (2) an area included in a basic plan or conceptual site plan that abuts an existing or planned mass transit rail station site operated by WMATA or MTA. The reduced surcharge amount totals \$2,515 in fiscal 2018, \$2,575 in fiscal 2019, and \$2,630 in fiscal 2020.

The surcharge amount is adjusted each year for inflation based on the Consumer Price Index for All Urban Consumers. The public safety surcharge does not apply to a single-family, detached dwelling that is built or subcontracted by an individual owner in a minor subdivision and intended to be used as the owner’s personal residence. The county council may waive any surcharge imposed on construction that is eligible to receive the reduced surcharge amount.

In fiscal 2018, Prince George’s County collected \$6.8 million in public safety surcharge revenues. The county is required to share at least 25% of the proceeds collected from construction projects located in a municipality that maintains a police department. Revenues collected in fiscal 2018 were distributed to the county police department for renovations to the forensic lab and to the county fire department for the purchase of self-contained breathing apparatus equipment. Prince George’s County advises that future revenues will be used for the repair, renovation, and improvement of public safety facilities.

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### **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** Prince George’s County; Maryland Department of Transportation; State Department of Assessments and Taxation; Department of Legislative Services

**Fiscal Note History:**  
rh/hlb

First Reader - March 6, 2020

Third Reader - March 15, 2020

Revised - Amendment(s) - March 15, 2020

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