

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 700 (Prince George's County and Montgomery County Delegations)
Commerce and Government Matters Referred to Select Committee No. 6 and 7

Metropolitan District - Prince George's County - Boundaries
PG/MC 22-96

This enrolled bill modifies the boundaries of the Maryland-Washington Metropolitan District as it relates to Prince George's County by excluding certain areas outside the City of Laurel from the metropolitan district. The bill also requires that public service companies be included in the metropolitan district for tax purposes. In addition, the county may not collect any delinquent metropolitan taxes that were not levied prior to July 1, 1996.

Further, the bill establishes a Commission to Study the Metropolitan District. The commission's scope includes a study of the expansion of the boundaries of the Metropolitan District in Prince George's County. The commission must submit a final report by December 1, 1996 to the county's House and Senate delegations.

The bill is effective July 1, 1996.

Fiscal Summary

State Effect: None.

Local Effect: Maryland-National Capital Park and Planning Commission (M-NCPPC) revenues could be affected as discussed below. Expenditures would not be affected.

Fiscal Analysis

Local Revenues: Currently, public service companies in Prince George's County pay the metropolitan district tax on capital improvements. However, M-NCPPC revenues could increase due to the collection of taxes on land owned by public services companies. Although the revenue increase is unknown at this time, it is assumed to be minimal.

Under the bill's provisions, the county would be prohibited from collecting delinquent taxes that were levied after July 1, 1996. Accordingly, M-NCPPC revenues could decrease depending upon the amount of delinquent taxes owed. Historically, delinquent taxes have ranged from \$1.0 million to \$1.2 million annually.

It is assumed that expense reimbursement for commission members could be handled within M-NCPPC existing resources.

The changes in the boundaries of the metropolitan district codify current practice.

Information Source(s): Prince George's County, Department of Fiscal Services

Fiscal Note History: First Reader - February 19, 1996
ncs Revised - House Third Reader - April 5, 1996
Revised - Enrolled Bill - April 24, 1996

Analysis by: Thomas Himler
Reviewed by: John Rixey

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 841-3710
(301) 858-3710