

HOUSE JOINT RESOLUTION

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By: Delegate Campbell

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Assigned to: Ways and Means

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1 A House Joint Resolution concerning

2 **Task Force on Regional Development Tax Base Sharing**

3 FOR the purpose of requesting the Governor to establish a Task Force on Regional
4 Development Tax Base Sharing to study the feasibility and desirability of enacting
5 enabling legislation that would allow the creation of regional development tax base
6 sharing districts within the State; providing for the composition and staffing of the
7 Task Force; requiring a report to the Governor and the General Assembly by a
8 certain date; and generally providing for a Task Force on Regional Development
9 Tax Base Sharing.

10 WHEREAS, It is desirable to provide the means for local government to share in
11 the resources generated by regional growth, development, and redevelopment, without
12 diminishing any current revenue sources; and

13 WHEREAS, Most residents of Maryland live, work, and play within a
14 multijurisdictional region and do not confine daily activities to the county or municipality
15 where they reside; and

16 WHEREAS, Most businesses in Maryland distribute products, provide services, and
17 draw from a labor pool within a multijurisdictional region and do not confine business
18 activities to the county or municipality where they are located; and

19 WHEREAS, The uneven distribution of the property tax base in this State is due, in
20 large part, to the concentration of commercial and industrial development in certain
21 areas of this State; and

22 WHEREAS, Significant increases in revenue from property tax on commercial and
23 industrial property over total property tax revenues have been experienced by states and
24 municipalities which have established regional development revenue sharing districts; and

25 WHEREAS, New regional revenues can be made available to local governments
26 within and through the existing system of local decision making through tax base sharing;
27 and

28 WHEREAS, Tax base sharing would allow local governments to pool economic
29 development efforts so as to reduce the costs to the individual local governments and to
30 mitigate unproductive intraregional competition; and

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1 WHEREAS, Through tax base sharing, the fiscal benefits of business development
2 attracted by regional facilities can be spread to communities not selected to have those
3 facilities; and

4 WHEREAS, In addition to addressing fiscal issues, a system of tax base sharing also
5 can support regional planning objectives and promote regional practices that are both
6 reasonable and environmentally sound; now, therefore, be it

7 RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That the
8 Governor shall establish a Task Force on Regional Development Tax Base Sharing to
9 study the feasibility and desirability of enacting enabling legislation that would allow the
10 creation of regional development tax base sharing districts within the State of Maryland;
11 and be it further

12 RESOLVED, That the Task Force shall:

13 1. Analyze the effect of a system of regional development tax base sharing
14 on:

15 (a) Overall statewide economic growth and development;

16 (b) State and local public infrastructure expenses;

17 (c) Tax revenue from commercial and industrial property long-term
18 and short-term impact;

19 2. Compare costs of regional approaches to economic growth and
20 development with those of local governmental endeavors;

21 3. Assess the effect of the system on public transportation needs, air
22 quality, public highways, environmentally sensitive areas, and agricultural land;

23 4. Investigate the experience of successfully established programs in
24 Minneapolis/St. Paul, Minnesota; Montgomery County, Ohio; and the Hackensack
25 Meadowlands, New Jersey;

26 5. Develop an appropriate contribution and distribution formula for
27 member jurisdictions and identify mechanisms for adjustments to those formulas; and

28 6. Consider any other pertinent issues; and be it further

29 RESOLVED, That the Task Force shall consist of the following members:

30 1. Two members of the Senate, appointed by the President of the Senate;

31 2. Two members of the House of Delegates, appointed by the Speaker of
32 the House;

33 3. The State Treasurer;

34 4. The Secretary of Business and Economic Development;

35 5. The Director of Planning;

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1 6. One member of the Economic Growth, Resource Protection, and
2 Planning Commission;

3 7. One representative from the Maryland Association of Counties;

4 8. One representative from the Maryland Bankers Association;

5 9. One representative from the Maryland Chamber of Commerce;

6 10. One representative from the Maryland Municipal League;

7 11. Two representatives from regional business organizations, such as the
8 Greater Baltimore Committee, the Greater Washington Board of Trade, or other like
9 organizations;

10 12. One economist with demonstrated expertise in taxing and public
11 finance; and

12 13. Two representatives from the general public, with demonstrated
13 experience and knowledge in public property tax and development issues; and be it
14 further

15 RESOLVED, That the Task Force shall be staffed by personnel from the
16 Department of Business and Economic Development; and be it further

17 RESOLVED, That the Task Force shall report to the Governor and, in accordance
18 with § 2-1312 of the State Government Article, to the General Assembly by January 10,
19 1998; and be it further

20 RESOLVED, That a copy of this Resolution be forwarded by the Department of
21 Legislative Reference to the Honorable Parris N. Glendening, Governor of Maryland; the
22 Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; and the
23 Honorable Casper R. Taylor, Jr., Speaker of the House of Delegates.