

Department of Legislative Services

Maryland General Assembly

2002 Session

FISCAL NOTE

House Bill 1073

(Delegate Valderrama, *et al.*)

Ways and Means

Technology Empowerment Zones

This bill requires county or municipal governments that grant franchises for cable television to offer property tax credits or other appropriate incentives to technology companies that either invest in or offer bundled technology services at discounted rates in technology empowerment zones.

Fiscal Summary

State Effect: None. The bill does not require any State property tax credits or incentives.

Local Effect: Potential decrease in property tax or other resources.

Small Business Effect: Potential minimal.

Analysis

Bill Summary: Technology company is defined as a company that offers services including cable television, high-speed internet access, local and long-distance phone service, and electricity.

A county or municipal corporation designates a technology empowerment zone. Investing in a empowerment zone means: (1) contracting with local companies to build new infrastructure or provide services; (2) carrying local community television broadcasts and channels; (3) offering internships to students at local high schools or

community colleges; or (4) creating computer labs in community facilities, recreational centers, or libraries.

Local Fiscal Effect: Local government revenues would decrease for any property tax credits or other incentives granted for property of a technology company in a technology empowerment zone. However, the bill does not specify the nature or extent of the credits or other incentives required. Although the bill indicates that the local government designates the technology empowerment zone, it does not require the local government to make such a designation. The actual revenue loss would depend on which, if any, local governments decide to designate a technology empowerment zone and the nature and extent of the property tax credits or other incentives offered.

Additional Information

Prior Introductions: HB 1138 of 2001 received an unfavorable report from the House Economic Matters Committee.

Cross File: None.

Information Source(s): Department of Assessments and Taxation, Cecil County, Montgomery County, Prince George's County, Harford County, Queen Anne's County, St. Mary's County, Carroll County, Department of Legislative Services

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