

Department of Legislative Services

Maryland General Assembly

2002 Session

FISCAL NOTE

Revised

House Bill 958

(Prince George's County Delegation)

Ways and Means

Education, Health, and Environmental Affairs

Prince George's County - School Facilities Surcharge

PG 427-02

This emergency bill provides that the school facility surcharge in Prince George's County does not apply to multi-family housing designated as student housing within 1.5 miles of the University of Maryland, College Park campus. The bill also modifies the content of the report on the school facilities surcharge that the county executive prepares each year.

Fiscal Summary

State Effect: None.

Local Effect: Potential minimal decrease in Prince George's County revenues. County expenditures are not affected.

Small Business Effect: Minimal.

Analysis

Current Law: The Public Local Laws of Prince George's County requires the Prince George's County Council to impose a \$5,000 school facilities surcharge on new residential development to defray the cost of additional school construction. The surcharge does not apply to a mixed retirement development, elderly housing, or a single-family detached dwelling that is to be built or subcontracted by an individual owner in a minor subdivision and that is intended to be used as the owner's personal residence. In addition, the payment of the school facilities surcharge does not eliminate the county's ability to apply a test concerning the adequacy of school facilities under the county's adequate public facility ordinance.

Background: In 1996 the Maryland General Assembly authorized Prince George's County to collect a school facilities surcharge on new residential development. The maximum limit was set at \$2,500 per dwelling. Chapter 456 of 2000 increased the school facilities surcharge in Prince George's County from \$2,500 to \$5,000 per dwelling beginning in fiscal 2001, and required the imposition of the surcharge. Revenues collected from the surcharge are used to pay for additional or expanded public school facilities or debt service on bonds issued for additional or expanded public school facilities. The county executive is required to prepare an annual report on the school facilities surcharge for the county council, the Prince George's County Senate Delegation, and the Prince George's County House Delegation.

Local Fiscal Effect: Approximately 3,000 new residential dwellings are constructed in Prince George's County each year. The number of building permit applications for multi-family dwellings that serve as student housing within 1.5 miles of the University of Maryland, College Park campus is not known. Prince George's County advises that exempting these housing units from the school facilities surcharge would have only a minimal impact on county revenues.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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