

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE

Senate Bill 1026 (Senator Rosapepe)
Education, Health, and Environmental Affairs

Maryland-Washington Regional District - Boundaries - City of Laurel

This bill modifies the boundaries of the Maryland-Washington Regional District to exclude the City of Laurel, as its corporate boundaries are defined as of July 1, 2010.

The bill takes effect July 1, 2010.

Fiscal Summary

State Effect: None.

Local Effect: Maryland-National Capital Park and Planning Commission (M-NCPPC) tax revenues decrease by \$1,050 annually beginning in FY 2011 from a reduction in the assessable base. Expenditures are not affected.

Small Business Effect: None.

Analysis

Current Law: Currently, the boundaries of the Maryland-Washington Regional District do not include the City of Laurel, as its corporate boundaries are defined as of July 1, 2008.

Chapter 303 of 2008 modified the boundaries of the Maryland-Washington Regional District to exclude the City of Laurel, as its corporate boundaries were defined as of July 1, 2008. Prior to the enactment of Chapter 303, the boundaries of the Maryland-Washington Regional District did not include the City of Laurel, as its corporate boundaries were defined as of July 1, 1994.

Background: M-NCPPC is a bi-county agency serving Montgomery and Prince George’s counties that was empowered by the State in 1927 to acquire and administer a regional system of parks within the Maryland-Washington Regional District and administer a general plan for the physical development of the area. In 1970, M-NCPPC became responsible for managing the Prince George’s County public recreation program. M-NCPPC imposes four special property taxes on property in Prince George’s County. The fiscal 2010 property tax rates and revenues for these four M-NCPPC taxes are shown in **Exhibit 1**.

Exhibit 1
M-NCPPC Property Tax Rates and Revenues in Prince George’s County

	<u>Real Property Tax Rate</u>	<u>Revenue Amount</u>
Recreation Tax (Countywide)	\$0.0592	\$59,183,500
Advance Land Acquisition Tax (Countywide)	0.0013	1,298,300
Administration Tax (Regional District)	0.0466	45,315,000
Park Tax (Metropolitan District)	0.1719	160,078,800
Total	\$0.2790	\$265,875,600

The recreation and the advance land acquisition taxes are imposed countywide. The administration tax is used to fund general administration and planning and is only imposed in the regional district, from which the City of Laurel is mostly excluded. The park tax is imposed in the metropolitan district, from which the Town of District Heights, City of Greenbelt, and City of Laurel are mostly excluded.

Local Fiscal Effect: By excluding land that has been annexed by the City of Laurel between July 1, 2008 and July 1, 2010, the owners of these areas would not be subject to the regional district administration property tax. There are approximately 45 acres of mostly undeveloped land in areas annexed by the City of Laurel since 2008; there are six accounts with improvements within the 45 acres. M-NCPPC advises that altering the boundaries of the regional district to exclude those areas would result in a revenue loss of \$1,050 beginning in fiscal 2011.

The City of Laurel advises that while the bill does not fiscally impact the city itself, it does affect the city’s residents in areas annexed since July 1, 2008, who are currently required to pay additional taxes.

Additional Information

Prior Introductions: None.

Cross File: HB 581 (Prince George's County Delegation and Montgomery County Delegation) - Environmental Matters.

Information Source(s): Montgomery and Prince George's counties, City of Laurel, Maryland-National Capital Park and Planning Commission, Department of Legislative Services

Fiscal Note History: First Reader - March 30, 2010
mam/hlb

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