

**Department of Legislative Services**  
Maryland General Assembly  
2011 Session

**FISCAL AND POLICY NOTE**  
**Revised**

Senate Bill 438

(Senator Rosapepe)

Education, Health, and Environmental Affairs

Environmental Matters

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**Maryland-Washington Metropolitan District and Regional District - Boundaries -  
City of Laurel**

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This bill modifies the boundaries of the Maryland-Washington Regional District and the Maryland-Washington Metropolitan District by excluding any single-family real property annexed by the City of Laurel from July 2, 1997, to July 1, 2011.

The bill takes effect July 1, 2011.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Maryland-National Capital Park and Planning Commission (M-NCPPC) property tax revenues decrease by approximately \$106,800 annually beginning in FY 2012. Expenditures are not affected.

**Small Business Effect:** None.

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**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. The boundaries of the Maryland-Washington Metropolitan District do not include the City of Laurel, as its corporate boundaries are defined as of July 1, 1997.

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 2011 property tax rates and revenues for these four M-NCPPC taxes are shown in **Exhibit 1**.

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**Exhibit 1**  
**M-NCPPC Property Tax Rates and Revenues**  
**In Prince George's County**

	<b>Real Property Tax Rate</b>	<b>Revenue Amount</b>
Recreation Tax (Countywide)	\$0.0592	\$56,506,000
Advance Land Acquisition Tax (Countywide)	0.0013	1,239,400
Administration Tax (Regional District)	0.0466	43,264,500
Park Tax (Metropolitan District)	0.1719	152,690,200
<b>Total</b>	<b>\$0.2790</b>	<b>\$253,700,100</b>

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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 single-family real property that has been annexed by the City of Laurel between July 2, 1997, and July 1, 2011, from the regional district and the metropolitan district, the owners of these properties would not be subject to the regional district administration property tax or the metropolitan district park tax.

M-NCPPC reports that approximately 175 single-family real properties may be affected by the proposed boundary change. Based on current assessment data, M-NCPPC

indicates that commission property tax revenues may decrease by approximately \$106,800 beginning in fiscal 2012.

The City of Laurel advises that while the bill does not fiscally impact the city itself, it does affect city residents who own single-family real property in areas annexed since July 1, 2008, for the regional district and July 1, 1997, for the metropolitan district, who are currently required to pay additional taxes.

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## **Additional Information**

**Prior Introductions:** A similar bill, SB 1026 of 2010, received a hearing in the Senate Education, Health, and Environmental Affairs Committee, but no further action was taken. Its cross file, HB 581, was referred to the House Environmental Matters Committee, but no further action was taken.

**Cross File:** HB 617 (Montgomery County Delegation and Prince George's 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 10, 2011  
mlm/hlb Revised - Senate Third Reader - April 6, 2011

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