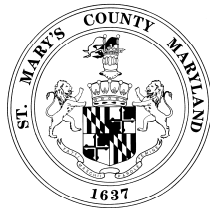


**ST. MARY'S COUNTY GOVERNMENT**  
**DEPARTMENT OF FINANCE**  
*L. Jeannett Cudmore, Chief Financial Officer*



**Commissioners of St. Mary's County**  
James R. Guy, President  
Eric Colvin, Commissioner  
Michael L. Hewitt, Commissioner  
Todd B. Morgan, Commissioner  
John E. O'Connor, Commissioner

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ADVANCED MEMORANDUM

DATE: February 12, 2021

SUBJECT: House Bill 528 – St. Mary's County – Repeal of Impact Fee – Authorization of Excise Tax

Hello leadership and members of the Environment and Transportation committee, on behalf of the Commissioners of St. Mary's County it is our privilege to provide written testimony on the request for County's Repeal of the current Impact Fee - Authorization of Excise Tax.

You have the Fiscal and Policy Note, which breaks down the request. The request repeals our current Impact Fee and replaces it with an Excise Tax. As the fiscal note indicates, the authorization of the Excise Tax will provide the County with greater flexibility in the collection and the use of the collected funds.

The County currently uses the Impact Fee collections for projects in their Capital Improvement Program. Average annual collections based on the last three fiscal years is \$2.1 million from School, Roads and Parks. These proceeds currently are allocated to these types of projects that are growth related – such as additional seats in a school, a new road or a new park.

The population in the County is estimated to be 120,150 in 2020 based on the latest information from MD Department of Commerce, this is an increase of 14.26% over the last census. The County is growing and the needs of the County for its citizen's are growing and having this flexibility in collecting and using this revenue source is very important in the future.

Should you have any further questions, please let me know.

Jeannett Cudmore, Chief Financial Officer, St. Mary's County Government