



February 26, 2025

Senate Bill 572
Anne Arundel County - Development Impact Fees
Senate Budget & Taxation Committee

Position: FAVORABLE with AMENDMENTS

Anne Arundel County **SUPPORTS with AMENDMENTS** Senate Bill 572 – Anne Arundel County - Development Impact Fees. This enabling legislation, with the proposed amendment, would alter certain limitations on the authority of the Anne Arundel County Council to grant exemptions from or credits against development impact fees.

Anne Arundel County has used development impact fees since 1988 on new development, or a change or improvement to an existing use, that impacts public schools, transportation, or public safety facilities. This revenue may only be used to expand the capacity of public schools, roads, and public safety facilities. Currently, the State gives Anne Arundel County limited authority to grant exemptions from or credits against development impact fees for development only by not-for-profit entities that have been in existence for at least three years. This exemption was enacted by the General Assembly in 2008, after the approval of House Bill 515 of that year.

SB 572 will allow the County Council to determine any conditions for granting exemptions or credits in order to align the County's impact fee framework with development goals. With the amendment, these exemptions or credits are limited to development that is done by a non-profit organization that has been in existence for at least 3 years, Moderately-Priced Dwelling Units ("MPDUs), Workforce Housing, and Accessory Dwelling Units. It also ensures that the County can continue to grant impact fee credits to developers that provide road or school facilities that exceed adequate public facility mitigation requirements.

The authority SB 572 would grant to Anne Arundel County is not unprecedented in Maryland. Some other local jurisdictions, such as Montgomery County, already have broad authority from the state to grant impact fee exemptions and credits.

Accordingly, Anne Arundel County urges a **FAVORABLE with AMENDMENT** report on SB 572.

Steuart Pittman
County Executive