



Maryland Municipal League
The Association of Maryland's Cities and Towns

TESTIMONY

February 4, 2025

Committee: House Ways and Means Committee

Bill: HB 330 – Property Tax - Improvements to Property Adjacent to Rail Stations - Subclass, Special Rate, and Penalty

Position: Support with amendment

Reason for Position:

The Maryland Municipal League supports House Bill 330 with amendments, which will allow local jurisdictions to use split-rate taxation to incentivize certain types of growth around rail stations. Split taxation is an interesting concept and could prove to be a useful tool for local governments. MML is supportive of the concept and appreciates enabling authority.

However, this legislation is unique in that it envisions local tax revenues being diverted to the State (50%). Property taxes are the only meaningful revenue source for most municipalities. In this way, HB 330 could be a slippery slope that erodes our most fundamental revenue tool. We would ask – if the goal is to increase state revenues as well – that the legislation allow the state to use split taxation under its own property tax authority instead. We also question whether one mile is the appropriate boundary for this new authority.

For these reasons the League respectfully requests that this committee amend House Bill 330 before providing a favorable report. For more information, please contact Justin Fiore, Deputy Director of Advocacy and Public Affairs, at justinf@mdmunicipal.org. Thank you in advance for your consideration.

The Maryland Municipal League uses its collective voice to advocate, empower and protect the interests of our 160 local governments members and elevates local leadership, delivers impactful solutions for our communities, and builds an inclusive culture for the 2 million Marylanders we serve.