

Testimony in Support of House Bill 1142

Task Force to Modernize County and Municipal Revenue Structures
Maryland House of Representatives – Ways and Means Committee
Mayor Takisha D. James, Town of Bladensburg



Chair and Members of the Committee:

Good afternoon. My name is Takisha D. James, and I serve as Mayor of the Town of Bladensburg. On behalf of our approximately 9,660 residents, and the nearly 12,000 to 13,000 people who live in our immediate municipal area. I am also proud to serve as President-Elect of Maryland Municipal League (MML). I respectfully urge your support for House Bill 1142, establishing a Task Force to Modernize County and Municipal Revenue Structures.

1. Modernizing a 60-Year-Old Revenue Framework

Maryland’s municipal revenue structure has remained largely unchanged for more than 60 years. In that time, virtually every other system technology, infrastructure, governance practices, economic development has evolved greatly during that time. Yet the core framework that determines how municipalities generate and receive revenue has not undergone a comprehensive modernization review. MML has been instrumental in this action and seeing the need to start the discussion with municipalities which are big part of the economic engine of the state.

This persistent stagnation limits the fiscal tools available to small municipalities like Bladensburg. A structured evaluation through this Task Force is a necessary and overdue first step toward aligning our revenue framework with modern economic realities.

2. Overreliance on Property Taxes

Bladensburg, like many small municipalities, relies primarily on local property taxes to fund essential services. This creates a disproportionate burden on our residents, who are already taxed at the county level.

While there are limited mechanisms addressing duplicative services, they are not sufficient to offset the structural imbalance small towns face. The result is:

- Limited fiscal flexibility
- Increased pressure to raise local property tax rates
- Reduced capacity to absorb inflationary and service delivery costs

In today's economic climate—marked by rising costs, inflationary pressures, and increasing service expectations—continuing to rely almost exclusively on property tax revenue is not sustainable.

3. Need for Shared and Direct Revenue Mechanisms

Small municipalities like mine, need access to modern, diversified revenue tools, including structured shared revenue options from the State. Currently, municipalities often rely on competitive grants or indirect funding streams from the State to supplement operations and infrastructure. While helpful, those mechanisms:

- Are episodic rather than stable
- Limit local autonomy
- Do not provide predictable operational funding

A modernized revenue system that includes more direct and reliable funding allocations would allow municipalities to plan responsibly, invest strategically, and provide consistent services to residents. It would allow smaller agencies to develop more complex systems.

4. Capturing the Visitor Economy

Bladensburg serves as both a through corridor to our National's Capitol and a destination community within Prince George's County.

We host:

- Historic sites (Bostwick House, Battle of Bladensburg Memorial, Peace Cross and other sites that date back to the founding of our nation).
- Major Park facilities (Bladensburg Waterfront Park)
- Arts festivals, regional celebrations, and community gatherings
- Regional recreational events

Visitors use our roads, parks, police services, and public spaces. However, municipalities like ours often lack mechanisms to capture a meaningful share of the economic activity generated by tourism and pass-through traffic.

Modern revenue structures should consider how municipalities can participate more equitably in the visitor economy that places demand on local infrastructure and services.

5. Urban-Suburban Realities in Prince George's County

As an inner-Beltway municipality in an urban-suburban county, Bladensburg faces compounded challenges:

- Aging infrastructure
- Historic disinvestment
- Higher service demands
- Limited commercial tax base

The constraints we experience are structural—not simply managerial. A statewide review through this Task Force would allow policymakers to examine these realities comprehensively and recommend common-sense updates.

6. Local Flexibility is Essential

This bill does not mandate tax increases. It establishes a thoughtful review process.

Municipal leaders need:

- Expanded fiscal tools
- Greater local flexibility
- Revenue structures aligned with modern service delivery

As Mayor for over five years and Bladensburg resident for **XY**, I can attest that it is becoming increasingly difficult to provide adequate services under the current framework. The financial constraints faced by municipal governments are real and growing.

In Conclusion, House Bill 1142 represents a prudent and necessary first step toward:

- Works to Evaluating outdated revenue systems
- Reducing overreliance on property taxes
- Strengthening municipal sustainability
- Promoting equity between state, county, and municipal fiscal structures

I respectfully request that the Ways and Means Committee give **favorable** consideration to this legislation.

Thank you for your time and your leadership on this important issue.