



City of Takoma Park
Legislative Advocacy – End of Session Report – 2019

April 16, 2019

Public Policy Partners (PPP) is pleased to provide the City of Takoma Park with this end of session report for the 2019 Maryland General Assembly Session detailing the accomplishments and legislative outcomes of issues important to the City.

We are thankful for the opportunity to work with the City of Takoma Park presenting the City's priorities and representing the City on a wide range of policy and budget issues. This year, the City's advocacy in Annapolis resulted in a number of successful legislative accomplishments and provided multiple opportunities for the City to engage with different stakeholders and legislators in meaningful ways.

Legislative Priorities

This year, PPP tracked over 200 bills in addition to the Operating and Capital budget for the City. Legislative highlights on select bills and issue areas of particular interest to the city are presented in the 2019 Legislative Highlights Report and a complete list of all legislation tracked for the City is available in the final bill chart.

In the Fall of 2018, Takoma Park identified a list of legislative priorities and goals for the 2019 session which was outlined during PPP's Session Preview Presentation and the District 20 Priorities Hearing. Legislative topics of importance to the City included economic development, preventing widening of Rt. 410, protecting small businesses during construction, increasing municipal revenues, housing and landlord/tenant issues, accountability for utilities, and climate change.

Legislation from the City's priority list and significant bills identified during session include:

- **Bond Bill Funding for the Library:** One of the major accomplishments this session is the award of \$150,000 in Bond Bill funding for the Takoma Park Library. The City received full funding for its request to make capital improvements to the library. This funding compliments the 2017 Bond Bill in the amount of \$150,000.
- **Economic Development Assistance:** Beginning in 2017 with the creation of the National Capital Strategic Economic Development Fund, and advocating for funding in 2018 for the same program, this session, the City provided testimony in support of HB 1266/SB 754 which rewrites the program requirements for the Fund. With passage of this legislation, the Fund changes from a grant program to a financial assistance program, establishes new project eligibility standards, designates an operating budget appropriation of \$200,000/yr from FY2021-2025, and sets an additional budget appropriation of \$7million from either the operating or capital budget for FY2012-2025. Takoma Park's testimony requested an amendment to allow government entities to be eligible for the program, which was adopted.
- **Small Cell Tower Permitting:** During the 2018 legislative session, there was intense debate on the topic of small cell tower permitting and the role of local governments. Takoma Park joined other local governments from across the state in opposing industry legislation that would have preempted local ordinances for small cell towers. This session saw another attempt by the industry to remove local authority as well as legislation crafted by local governments. As a result, the legislature decided to refer the issue and various bills to a summer study so that legislators and various stakeholders can discuss the issue more in depth and make policy recommendations to the legislature ahead of the 2020 session.
- **Municipal Revenues:** Few bills were introduced to allow municipalities to increase revenues this session, in part because of the success of the Highway User Revenue Bill last session. One bill that did pass and was supported by the City was HB285/SB466 which permits municipalities to impose a hotel tax on properties with ten or less rooms. Another bill requires the sales and use tax to be collected on short-term rentals such as Airbnb, but it is unclear if it would permit local governments to impose a hotel tax on those sales.
- **Transportation:** The City supported numerous bills regarding transportation during the 2019 session including bills that sought to impose restrictions on Public Private Partnerships such as the current I-495 expansion proposal as well as bills that seek to protect pedestrians, develop a vision zero plan for the State, increase bikeway funding, and support funding for METRO.

- **Environment**: As always, the environment remained a priority for the City during the 2019 session with a focus on identifying bills that have a climate change focus. Takoma Park supported successful efforts to increase Maryland’s renewable energy portfolio to 50% by 2030, make Maryland the first state to pass a state-wide ban on polystyrene, increase tree canopy and forests, and other legislation requiring green house gas reporting for transportation projects.
- **Other Successes**: Other major legislation of note includes passage of the Blueprint for Maryland’s Future (Kirwan Commission funding), Fight for \$15 legislation, restoring local control of the school calendar, and protecting oysters.
- **Unfinished Business**: While this year was very successful for Takoma Park’s priorities, two major initiatives supported by the City were not successful – local delegation legislation to prohibit the expansion of Rt. 410 and local delegation legislation for a just cause eviction standard. Although unrelated by topic, both bills failed for similar reasons as they faced significant challenges passing the House Environment and Transportation Committee which oversees housing legislation and transportation related bills.

Budget

For the last 18 months, the Department of Legislative Services, Department of Budget and Management, General Assembly leadership and the Governor have warned of looming budget shortfalls. At the same time, the Commission for Innovation and Excellence in Education (also known as the Kirwan Commission) has been developing policy and funding recommendations for Maryland’s educational system with a projected cost of \$3.8 billion/year not including funding for school construction. With the need for significant future revenues at a time when the State is facing budget shortfalls, legislators focused attention on raising revenues and discussing future opportunities for bringing new revenues to the state such as legalizing adult use of marijuana and allowing sports betting. The legislature will convene various workgroups during the interim to discuss these revenue generating policies.

In December of 2018, the State Spending Affordability Committee projected a structural general fund shortfall of \$18 million for fiscal 2020 and recommended the shortfall be addressed in the budget. Mid-session, due to decreased tax revenues in part from the federal government shutdowns and federal tax changes, the legislature faced a revenue write-down of \$268.5 million for the remainder of 2019 and into fiscal 2020. The legislature was able to address these revenue challenges and grow the state budget by 4% while leaving \$105.1 million in the General Fund and \$1.1 billion in the Rainy Day Fund. The State continues to face cash shortfalls and structural deficits in future years.

State aid to local governments increased by 6.9%, an increase of more than double from fiscal 2019 with Montgomery County (including municipalities in the county) receiving an increase of 6.5%. Beginning in fiscal 2020, municipalities will receive 2% of Highway User

Revenue, totaling \$37.9 million. In addition to Takoma Park's \$150,000 for the library, the State budget includes \$6.5 million in funding for renovations at Montgomery College's Takoma Park/Silver Spring campus.

Summary

The 2019 Session stands out as one of Takoma Park's most successful sessions. There were many challenges for advocates across the political spectrum due in part to significant changes in committee leadership, committee membership changes, new members, and concern about the health of leadership in both chambers. Despite these challenges, the City weighed in on more bills than in prior sessions and has found a way to communicate more effectively and participate at a significant level. The new District 20 Delegation is also working well together and was very responsive to the City throughout the Session with Senator Smith and Delegate Moon teaming up to win bond bill funding for library, Delegate Wilkins fighting for amendments important to the City and Delegate Charkoudian's work to ensure measures before the Economic Matters Committee did not adversely affect the City.

PPP appreciates the opportunity to continue working for the City to advance the policy initiatives and promote the values of Takoma Park.

Sincerely,

Alice Wilkerson
Government Relations Associate
Public Policy Partners