Introduced By: Councilmember Daniels-Cohen

RESOLUTION #2012-43

Resolution Authorizing Transmittal of Legislative Action Requests
To the Maryland Municipal League for Consideration

WHEREAS, the Takoma Park City Council is charged with setting policy and pursuing legislative changes in the best interests of the Takoma Park community; and

WHEREAS, the City of Takoma Park is an active member of the Maryland Municipal League; and

WHEREAS, the Maryland Municipal League pursues legislative changes that would benefit Maryland municipalities; and

WHEREAS, the Council urges the Maryland Municipal League to work to firm up State transportation funding to ensure that funds are available for Highway User Revenue for municipalities, maintenance of State transportation infrastructure, and planning and construction of transit facilities such as the Purple Line; and

WHEREAS, the Council urges the Maryland Municipal League to work with county and state officials to support passage of legislation to remove the exemption from personal property taxes for financial institutions; and

WHEREAS, the Council urges the Maryland Municipal League to continue to work on increasing other revenue options for municipalities, including focusing on municipal tax duplication payments, increasing the share of State income taxes received by municipalities, working to have municipalities receive a share of real property transfer and recordation taxes, and extending the share of the hotel/motel tax to bed and breakfast establishments.

NOW, THEREFORE, BE IT RESOLVED THAT the Council of the City of Takoma Park authorizes the City Manager to transmit to the Maryland Municipal League the Legislative Action Request forms concerning transportation funding; removing the personal property tax exemption for financial institutions; and increasing other revenue options for municipalities.

ADOPTED THIS 9th DAY OF JULY, 2012.

ATTEST:

________________________________
Jessie Carpenter
City Clerk
INTRODUCTION

1. Describe the problem or situation the request is intended to address: The General Assembly did not adequately provide for stable, long-term funding for transportation needs in the last Session. Municipalities depend on this funding for Highway User Revenue, and the State needs the funding to maintain State Highways through our communities and to plan and construct new transit service that helps local economies.

2. Describe the requested legislation: Broaden the efforts of MML from lobbying for increased Highway User Revenue to advocate for stable, long-term transportation funding.

3. Describe how the requested legislation would remedy the problem: Municipalities would be allowed to address their particular fiscal needs using the tools most appropriate for their own communities, if a wide variety of tools exist.

4. The proposed legislation would address: _____Only your municipality

   _____Only municipalities in your county   _____Municipalities in the entire state

   __XX__All counties and municipalities in the entire state

5. Would the proposed remedy have a significant fiscal impact on your municipality? Potentially yes. Municipalities depend on Highway User Revenue and need the level to be increased to meet community need. Also, the economic health of municipalities is improved when the State Highways that are often the major commercial ways through the towns are kept in good repair. Further, many municipalities and counties have planned for new transitways to and through their communities. These transitways are key to economic development efforts. The State needs to show that there is stable and adequate funding for these projects for it to obtain Federal approval and matching funds.
BACKGROUND INFORMATION

1. Could the problem be resolved by something other than a new law, i.e., action by another level of government or changes in administrative procedures? No, this is a State budget matter.

2. If administrative remedies have already been pursued, what were they and what was the outcome? n/s

3. What other state and/or local agencies, if any, would be affected by this proposal? State, county and municipal transportation and economic development agencies would benefit.

4. Have any state agencies been contacted about the proposal? If yes, what was their reaction? No.

HISTORICAL INFORMATION

1. Has the League considered this proposal in a previous year? If yes, describe any significant changes in circumstances that might improve its chances of success in 2013: Efforts to preserve and increase Highway User Revenue have met with some success in recent years, but a push on the larger transportation funding question has not been a focus of MML efforts.

2. Has this request been considered by the General Assembly in prior sessions? If yes, please provide the bill number, year, and outcome of legislation, if known: Proposals have included increases taxes on gasoline sales.

3. Has this proposed legislation been implemented by any other city, county or state? If yes, please describe where it has been implemented and cite any existing law or model code upon which the proposal is based: States have a variety of funding sources for transportation expenditures.

Signature of authorized municipal, chapter or departmental official

Suzanne Ludlow    July 10, 2012

Print name      Date

Please return LAR form to:
MML Legislative Committee
1212 West Street
Annapolis, MD 21401
ATTN: Jessica Barnes
E-mail: jessicab@mdmunicipal.org

Indicate the date of the meeting where the governing body of the municipality, chapter or department endorsed the request: July 9, 2012.

FORM MUST BE RETURNED NO LATER THAN Friday, July 13, 2012
**INTRODUCTION**

1. Describe the problem or situation the request is intended to address: Municipalities need increased revenue.

2. Describe the requested legislation: Legislation should be pursued to increase municipal revenues on a number of fronts including: municipal tax duplication issues, increasing the share of State income taxes received by municipalities, allowing municipalities to receive a share of real property transfer and recordation taxes, and extending the share of the hotel/motel tax that municipalities receive to also cover bed and breakfast establishments.

3. Describe how the requested legislation would remedy the problem: Would provide revenue or could standardize the mechanism by which municipalities could receive fair payment from counties for municipal tax duplication.

4. The proposed legislation would address: 
   
   _____Only your municipality  
   
   _____Only municipalities in your county  
   
   XX__Municipalities in the entire state  
   
   ____All counties and municipalities in the entire state

5. Would the proposed remedy have a **significant** fiscal impact on your municipality? Potentially yes.
BACKGROUND INFORMATION

1. Could the problem be resolved by something other than a new law, i.e., action by another level of government or changes in administrative procedures? Probably not.

2. If administrative remedies have already been pursued, what were they and what was the outcome? Some aspects of municipal tax duplication issues can be negotiated between a county and a municipality if both are interested in doing so.

3. What other state and/or local agencies, if any, would be affected by this proposal? County governments.

4. Have any state agencies been contacted about the proposal? If yes, what was their reaction? No.

HISTORICAL INFORMATION

1. Has the League considered this proposal in a previous year? If yes, describe any significant changes in circumstances that might improve its chances of success in 2013. Some legislative efforts have been made in past years. This proposal allows for judgment as to which efforts would be most likely to be successful this coming Session.

2. Has this request been considered by the General Assembly in prior sessions? If yes, please provide the bill number, year, and outcome of legislation, if known: Unknown.

3. Has this proposed legislation been implemented by any other city, county or state? If yes, please describe where it has been implemented and cite any existing law or model code upon which the proposal is based: Municipalities in most other states have many more options for revenue generation than those in Maryland.

Signature of authorized municipal, chapter or departmental official

Suzanne Ludlow July 10, 2012

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Print name Date

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FORM MUST BE RETURNED NO LATER THAN Friday, July 13, 2012
2013 MML LEGISLATIVE REQUEST

Name of Municipality, Chapter or Department submitting request: City of Takoma Park

Contact Person/Title: Suzanne Ludlow, Deputy City Manager

Address/City/State/Zip: 7500 Maple Avenue, Takoma Park, MD 20912

Telephone numbers: (Work) 301-891-7229  Email: SuzanneL@takomagov.org

Please complete this form in its entirety. Attach additional sheets, if necessary, as well as documents related to your request. **LAR FORM MUST BE RETURNED VIA MAIL OR E-MAIL NO LATER THAN FRIDAY, JULY 13, 2012.**

INTRODUCTION

1. Describe the problem or situation the request is intended to address: Certain financial institutions are exempted from paying personal property taxes when other business entities must pay the tax.

2. Describe the requested legislation: Repeal the personal property tax exemption for financial institutions.

3. Describe how the requested legislation would remedy the problem: Financial institutions would be required to pay the personal property tax to those jurisdictions that collect it.

4. The proposed legislation would address: _____Only your municipality

   _____Only municipalities in your county  _____Municipalities in the entire state

   ____XX____All counties and municipalities in the entire state

5. Would the proposed remedy have a significant fiscal impact on your municipality? Potentially yes. The amount of the increase depends on the value of personal property that is exempt from taxation and the property tax rate. However, the value of currently exempt personal property is not known.
BACKGROUND INFORMATION

1. Could the problem be resolved by something other than a new law, i.e., action by another level of government or changes in administrative procedures? No.

2. If administrative remedies have already been pursued, what were they and what was the outcome? n/s

3. What other state and/or local agencies, if any, would be affected by this proposal? All counties and municipalities that collect personal property tax.

4. Have any state agencies been contacted about the proposal? If yes, what was their reaction? No.

HISTORICAL INFORMATION

1. Has the League considered this proposal in a previous year? If yes, describe any significant changes in circumstances that might improve its chances of success in 2013. MML has supported this bill, but did not actively work for the bill. The Assembly was busy with redistricting and major budget issues. This year may be a better year for pushing this legislation.

2. Has this request been considered by the General Assembly in prior sessions? If yes, please provide the bill number, year, and outcome of legislation, if known: HB 1096 (2012), HB 1048 (2011); both unfavorable.

3. Has this proposed legislation been implemented by any other city, county or state? If yes, please describe where it has been implemented and cite any existing law or model code upon which the proposal is based: States have a variety of funding sources for transportation expenditures. Financial institutions in Maryland used to be taxed.

Signature of authorized municipal, chapter or departmental official

Suzanne Ludlow    July 10, 2012

Print name    Date

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