

MEMORANDUM

TO: County Council

FROM: *MF* Michael Faden, Senior Legislative Attorney

SUBJECT: **Public Hearing:** Bill 25-12, Taxation – Impact Tax - Bikesharing

Bill 25-12, Taxation – Impact Tax - Bikesharing, sponsored by Council President Berliner and Councilmembers Ervin, Riemer, Elrich, Leventhal, Andrews and Navarro, was introduced on September 11, 2012. A Government Operations and Fiscal Policy Committee worksession is tentatively scheduled for November 5 at 2:00 p.m.

Bill 25-12 would allow transportation impact tax funds to be used for certain bikesharing stations.

This packet contains:	<u>Circle #</u>
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Bill No. 25-12
Concerning: Taxation - Impact Tax -
Bikesharing
Revised: 7-19-12 Draft No. 1
Introduced: September 11, 2012
Expires: March 11, 2014
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President Berliner and Councilmembers Ervin, Riemer, Elrich, Leventhal, Andrews
and Navarro

AN ACT to:

- (1) allow transportation impact tax funds to be used for certain bikesharing stations; and
- (2) generally amend the law governing the transportation impact tax.

By amending

Montgomery County Code
Chapter 52, Taxation
Section 52-58

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

Sec. 1. Section 52-58 is amended as follows:

52-58. Use of impact tax funds.

Impact tax funds may be used for any:

- (a) new road or widening of an existing road that adds highway or intersection capacity or improves transit service or bicycle commuting, such as bus lanes or bike lanes;
- (b) new or expanded transit center or park-and-ride lot,
- (c) bus added to the Ride-On bus fleet, but not a replacement bus;
- (d) new bus shelter, but not a replacement bus shelter;
- (e) hiker-biker trail used primarily for transportation;
- (f) bicycle locker that holds at least 8 bicycles;
- (g) bikesharing station (including bicycles) approved by the Department of Transportation;
- [(g)] (h) sidewalk connector to a major activity center or along an arterial or major highway; or
- [(h)] (i) the operating expenses of any transit or trip reduction program.

Approved:

Roger Berliner, President, County Council

Date

Approved:

Isiah Leggett, County Executive

Date

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

Date

LEGISLATIVE REQUEST REPORT

Bill 25-12

Taxation - Impact Tax - Bikesharing

DESCRIPTION: Allows transportation impact tax funds to be used for bikesharing stations approved by the Department of Transportation.

PROBLEM: Need to encourage expansion of bikesharing.

GOALS AND OBJECTIVES: To allow transportation impact tax funds to be used for bikesharing.

COORDINATION: Department of Transportation, Planning Board

FISCAL IMPACT: To be requested.

ECONOMIC IMPACT: To be requested.

EVALUATION: To be requested.

EXPERIENCE ELSEWHERE: To be researched.

SOURCE OF INFORMATION: Michael Faden, Senior Legislative Attorney, 240-777-7905; Glenn Orlin, Deputy Council Staff Director, 240-777-7936.

APPLICATION WITHIN MUNICIPALITIES: Transportation impact tax applies County-wide.

PENALTIES: Not applicable.



ROCKVILLE, MARYLAND

MEMORANDUM

October 5, 2012

TO: Roger Berliner, President, County Council

FROM: Jennifer A. Hughes, Director, Office of Management and Budget
Joseph F. Beach, Director, Department of Finance

SUBJECT: Council Bill 25-12 – Taxation – Impact Tax - Bikesharing

Attached please find the fiscal and economic impact statements for the above-referenced legislation.

JAH:bg

c: Kathleen Boucher, Assistant Chief Administrative Officer
Lisa Austin, Offices of the County Executive
Joy Nurmi, Special Assistant to the County Executive
Patrick Lacefield, Director, Public Information Office
Alex Espinosa, Office of Management and Budget
William Selby, Department of Transportation
Brady Goldsmith, Office of Management and Budget
Naeem Mia, Office of Management and Budget
David Platt, Department of Finance
Michael Coveyou, Department of Finance

Fiscal Impact Statement
Council Bill 25-12 – Taxation - Impact Tax - Bikesharing

1. Legislative Summary

The proposed bill allows transportation impact tax funds to be used for bikesharing stations approved by the Department of Transportation.

2. An estimate of changes in County revenues and expenditures regardless of whether the revenues or expenditures are assumed in the recommended or approved budget. Includes source of information, assumptions, and methodologies used.

The proposed bill allows for impact taxes to be used towards bikesharing stations. It does not impact County revenues or expenditures.

3. Revenue and expenditure estimates covering at least the next 6 fiscal years.

See item #2 above.

4. An actuarial analysis through the entire amortization period for each bill that would affect retiree pension or group insurance costs.

Not applicable.

5. Later actions that may affect future revenue and expenditures if the bill authorizes future spending.

The bill does not authorize future spending.

6. An estimate of the staff time needed to implement the bill.

No staff time is needed to implement this bill.

7. An explanation of how the addition of new staff responsibilities would affect other duties.

Not applicable.

8. An estimate of costs when an additional appropriation is needed.

Not applicable.

9. A description of any variable that could affect revenue and cost estimates.

Not applicable.

10. Ranges of revenue or expenditures that are uncertain or difficult to project.

Not applicable.

11. If a bill is likely to have no fiscal impact, why that is the case.

The proposed bill allows impact taxes to be used as a funding source of bikesharing station projects. There is no impact on departmental administration or programming.

12. Other fiscal impacts or comments.


Not applicable.

13. The following contributed to and concurred with this analysis:

William Selby, Department of Transportation

Brady Goldsmith, Office of Management and Budget

Naeem Mia, Office of Management and Budget



Jennifer A. Hughes, Director
Office of Management and Budget

10/9/12
Date

**Economic Impact Statement
Council Bill 25-12, Taxation - Impact Tax - Bikesharing**

Background:

Bill 25-12 allows Transportation Impact Taxes to be used to fund bikesharing stations, including bicycles, that are approved by the Department of Transportation.

1. The sources of information, assumptions, and methodologies used.

Since Bill 25-12 only affects how Transportation Impact Tax funds may be used, but does not affect the rate or how the taxes are assessed it has no economic impact.

2. A description of any variable that could affect economic impact statements.

See #1 above.

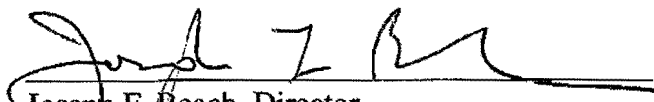
3. The bill's positive or negative effect, if any on employment, spending, saving, investment, incomes, and property value in the County.

See #1 above.

4. If a bill is likely to have no economic impact, why is that the case?

Bill 25-12 allows a specific, existing, revenue to be used for a new type of expenditure, but does not increase, decrease, or change the revenue, underlying rates, or who is responsible for paying the tax.

5. The following contributed to and concurred with this analysis: David Platt and Mike Coveyou, Finance.



Joseph F. Beach, Director
Department of Finance

9-24-12
Date