Angela D. Alsobrooks County Executive

PRINCE GEORGE'S COUNTY GOVERNMENT

Office of the County Executive

March 2, 2021

The Honorable Calvin S. Hawkins, II Chairman Prince George's County Council County Administration Building Upper Marlboro, Maryland 20772

Dear Chair Hawkins:

In accordance with Chapter 594 of 2005 (Prince George's County – Public Safety Surcharge – PG 307-05)(i.e., the "Act"), I am submitting this report concerning public safety surcharge revenue collected in FY 2020.

Effective July 1, 2005, the public safety surcharge rates were set at \$6,000 per unit for construction outside the developed tier and \$2,000 per unit for construction inside the developed tier. The rates are adjusted every year based on the Consumer Price Index (CPI). The FY 2020 rates were \$7,885 and \$2,630 respectively.

The Act imposed the surcharge on new residential construction for which a preliminary plan has been approved on or after July 1, 2005, but this exemption was repealed by Chapter 351 of 2019 effective July 1, 2019. The collection of the surcharge normally happens upon the issuance of a building permit, which in many cases is years after the approval of the preliminary plan. The County did not receive any public safety surcharge revenue prior to FY 2008.

Fees Collected

In FY 2020, the County received \$16,113,577 in public safety surcharge revenue. The County is required to share at least 25% of the public safety surcharge revenue collected from construction projects located in a municipal corporation that maintains a police department, and is also required to provide waivers and partial waivers for various projects per County Code (Sec. 10-192-11).

The Honorable Calvin S. Hawkins, II Page 2

Fees Expended

The fees collected in FY 2020 were assigned to support the debt service for the 2016 Self-Contained Breathing Apparatus (SCBA) equipment lease purchase financing (\$3,024,884, consisting of \$1,530,495 for the FY 2020 payment and an FY 2022 prepayment of \$1,494,389), the Oxon Hill Fire/EMS Station (\$5,145,505), the Hyattsville Fire/EMS Station (\$3,706,001), the Shady Glen Fire/EMS Station (\$2,981,000) and the Driver/Gun Range (\$1,256,187). It is our intention to appropriate any amounts collected in future fiscal years for the repair, renovation and improvement of public safety facilities.

Sincerely,

Angela D. Alsobrooks County Executive

cc: Members, Prince George's County Council Members, Prince George's County Senate Delegation

Members, Prince George's County House Delegation