

March 22, 2017

Testimony

Senate Transportation, Commerce and Workforce Committee

Testimony on County Motor Vehicle License (MVL) Fee within Am. Sub. HB 26

Joseph P. Tuss, Montgomery County Administrator

Good morning Chairman LaRose, Vice Chairwoman Kunze, Ranking Member Tavares and members of the committee. Thank you for the opportunity to testify today. My purpose in providing testimony this morning is to speak to the question of the county MVL fee as it is addressed by the current version of HB 26 pending before the committee.

On behalf of the Board of County Commissioners and the County Engineer, I want to express Montgomery County's strong support for a provision of the transportation budget as passed by the House that granted to counties the authority to enact a permissive \$5 MVL fee. The House passed version would permit any county to adopt an additional MVL fee by simple resolution, subject to provisions requiring the publishing of 2 public notices and the holding of 2 public hearings and a 30 day delayed effective date during which a referendum suspending the adoption of the resolution may be filed. If such a referendum is filed, then the resolution does not go into effect until such time as a majority of the electors in the county vote in favor of this MVL fee at the next primary or general election.

These provisions are in keeping with the long standing statutory authority granted to Boards of County Commissioners to enact the three existing MVL fees, as well as county permissive sales tax and county real estate conveyance fees. In stark contrast, Substitute HB 26 as currently being considered before the committee provides counties with only one option and that is to submit the question of the MVL fee at the next primary or general election. This single option is inconsistent with the long-standing statutory authority of counties to enact MVL fees, and erodes what is already limited authority of county commissions to generate the local revenues needed to effectively and efficiently serve the citizens of the county.

Let me put this into perspective. The Montgomery County Engineer is responsible for 320 miles of roads, 514 bridges and 1,500 culverts, and has a 2017 budget of \$13.4 million. By comparison, the County Engineer's budget in 1990 was \$14.6 million, creating a situation where funding available to maintain critical roadway infrastructure is \$1.2 million less than the funding 27 years ago.

Montgomery County opposes this restriction relative to the adoption of the MVL fee and would recommend that commissioners be given the option of adopting the MVL fee by simple resolution.

Thank you for your time and consideration of this testimony. I would be happy to try to answer any questions you have at this time.