



PRINCE GEORGE'S COUNTY GOVERNMENT
Office of the County Executive

Angela D. Alsobrooks
County Executive

October 31, 2024

The Honorable Jolene Ivey, Chair
Prince George's County Council
Wayne K. Curry County Administration Building
1301 McCormick Drive
Largo, Maryland 20774

Re: Report required by the Article 10-192.11 Public Local Laws of Prince George's County (MSAR #14048)

Dear Chair Ivey:

In accordance with Chapter 594 of 2005 as amended by Chapter 610 of 2022, I am submitting this report concerning Public Safety and Behavioral Health Surcharge revenue collected in FY 2024.

Effective July 1, 2005, the 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. The FY 2024 rates were \$9,362 and \$3,123, respectively.

The surcharge applies to new residential construction for which a preliminary plan has been approved on or after July 1, 2005. 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 surcharge revenue prior to FY 2008.

Fees Collected

In FY 2024, the County received \$17,589,555 in surcharge revenue. The County is required to share at least 25% of the 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).

FY 2024

Fees collected in FY 2024 were assigned as follows:

Exhibit 1

Allocation of Public Safety and Behavioral Health Surcharge Revenue FY 2024

\$16,512,110	Reserved for FY 2026 Projects
583,000	Shady Glen Fire/EMS Station
494,445	25% Allocation to Municipalities
\$17,589,555	

Source: Prince George's County Office of Management and Budget

It is important to note that the County is in the process of modifying how surcharge revenue is budgeted. In past years the Office of Management and Budget estimated the amount of revenue from the surcharge in the proposed budget. After the end of the fiscal year, additional revenue was allocated to capital projects as part of the closeout of the budget. This approach made it difficult to estimate the portion of the surcharge to allocate to municipalities and did not allow the County to maximize the use of these resources in the proposed capital budget. In FY 2023, the County began transitioning its approach so that it knows the actual amount collected at the end of each fiscal year. At closeout, the County will allocate the amount collected in Assigned Balance so that the exact amount of the 25% municipal share can be set aside and the remainder can be allocated in the next year's proposed capital budget.

The format of future reports will also be modified so that the information remains relevant and useful. The October 31, 2025 report will include a full listing of capital projects funded in the FY 2026 budget from FY 2024 proceeds. The FY 2025 proceeds will be covered in the next report, followed by subsequent years.

Because \$5.1 million of FY 2023 collections were placed in Assigned Balance at the end of that fiscal year, **Exhibit 2** provides you with a full accounting of the surcharge revenue for that year.

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FY 2023

The final allocation of fees collected in FY 2023 was as follows:

Exhibit 2

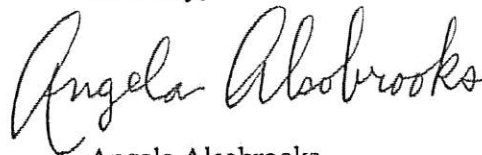
**Final Allocation of
Public Safety and Behavioral Health Surcharge Revenue
FY 2023**

\$5,102,314	FY 2025 Behavioral Health Certificate of Participation Debt Service
4,000,000	Special Operations Division Facility
2,500,000	Detention Center Improvements
2,000,000	Laurel Fire Station
1,201,053	25% Allocation to Municipalities
526,000	National Harbor Public Safety Building
\$15,329,367	

Source: Prince George's County Office of Management and Budget

It is our intention to continue to appropriate amounts collected in future fiscal years for the repair, renovation, and improvement of facilities as authorized by the law.

Sincerely,



Angela Alsobrooks
County Executive

AA/dbj/bm

Cc: Members, Prince George's County Council
Members, Prince George's County Senate Delegation
Members, Prince George's County House Delegation