

Question 7:

How will you match county revenues with the need to expand and maintain adequate public facilities and services?

Question 7 responses

The following four candidates, listed alphabetically, are running in the Democratic primary:

James Kitchin

I am proud to be a part of the current Pittman Administration, which fought for and implemented a progressive income tax, created the permanent public improvement fund, and increased revenues while remaining fiscally responsible and earning Triple AAA bond ratings. This strong fiscal position was possible due a combination of smart public policy and a strong local economy. The Federal Government's attack on its own workforce - many of whom live in Anne Arundel - and the erratic use of tariffs as a tool of foreign policy make our future economic outlook less certain. This, coupled with the fiscal outlook at the state level and increased costs being passed to local jurisdictions mean we would be wise to look now at ways to adjust our revenue structures. We should do everything we can to adjust the revenue structures in ways that don't impact working and middle-class families. The first thing I would do, through our progressive income taxing mechanism, would be to raise the rate on our highest earners (individuals making over \$400K) to the maximum allowed by state law. This would take it from 3.2 to 3.3 percent, and we can do this now. Second, the state should pass the package of "fair share" tax reforms that close loopholes for the wealthiest corporations and income earners in Maryland. This would give the state government the ability to better fund education, and so the requirements of the Blue Print could become less of an "unfunded mandate." Additionally, as the loopholes close and more income is reported at the state level, local income tax revenues would increase as well since they are a percentage of what gets reported on the state returns. Third, I support the state giving local jurisdictions the authority to create progressive/varying property tax rates. Being able to have slightly higher rates on properties valued in the millions, or to place a different rate on properties in certain commercial corridors, would allow us to raise more revenue while protecting working families.

Kyle Nembhard

I believe developers should pay for the expansion of public facilities required to sustainably support their projects. This should have a net zero impact on county resources. At the

same time I intend to focus revenues on adequate public facilities that have been neglected in the wake of irresponsible development.

Allison Pickard

County and State government find themselves in similar positions in this respect, not just from a standpoint of our current and planned obligations for public facilities and services, but with the Trump Administration increasingly pulling back from its funding and program obligations at a state and local level, it is clear we will have additional needs in the years ahead. Once funds are cut, it is difficult to add them back in subsequent budget cycles, as well as rebuild the funding streams that generated the funds, or the operational parts the funds were aimed at from staffing to facilities. We must assume that even in subsequent democratic presidential administrations or congressional majorities, the County will be required to be more self-reliant. The math on this front is clear. To increase revenue, you either need to increase the rate or number of taxes and fees, or you need to increase the scale of the activities that the current taxes and fees draw from. Growing the County's economy is the best path to expanding our revenue, without creating additional financial burdens on current County residents. To do that, we must retain more of our young adults and young families who are entering their peak earning years, as many of our older residents approach retirement or partial employment, generating less revenue for the county by comparison. This basic dynamic is a core part of my focus on housing. Retaining and attracting younger county residents is necessary to make the County's math work from a revenue standpoint. These residents need affordable housing. And this plays into my focus on best practices for the type of housing we need to provide them: pedestrian friendly, transit oriented, dense development that keeps them off roadways and allows them to live near their work, while also preserving the County's greenspace by making use of infill redevelopment. Similarly, these affordable housing units will allow our seniors to stay in the County when they downsize, allowing them to maintain the community they have spent decades being part of, and keeping proximity to the children and grandchildren we are working to ensure can afford to call the County home as well. That's the thing about these conversations around growth, housing, environment, and affordability. They cannot take place in silos. They all impact one another, and must be understood as part of a comprehensive plan. We should consider other tools to ensure we have every available path forward at our disposal, including taxing outside the cap for priority areas, or utilizing progressive tax brackets. That said, we must be mindful about increasing the tax burden on residents, and smart growth is a comprehensive, ongoing way to ameliorate that potential burden.

Pete Smith

I believe developers should pay for the expansion of public facilities required to sustainably support their projects. This should have a net zero impact on county resources. At the same time I intend to focus revenues on adequate public facilities that have been neglected in the wake of irresponsible development.

Dave Crawford -- Running unopposed in the Republican Primary

Fiscal sustainability requires that growth pay its own way — and that the county capture every legitimate revenue stream available without burdening existing taxpayers.

My multi-pronged revenue strategy: (1) Restore full development impact fees, estimated to unlock tens of millions in annual revenue currently being left on the table; (2) aggressively pursue federal and state grants — the Infrastructure Investment and Jobs Act, FEMA Hazard Mitigation funds, EPA water quality programs, and Maryland's Bay Restoration Fund represent \$60–80M in available funding for county infrastructure; (3) establish public-private partnerships for capital projects where appropriate; (4) conduct a rigorous review of county spending to eliminate redundancy and redirect savings to front-line services; and (5) implement performance-based budgeting so that every department justifies its expenditures against measurable outcomes.

I will not propose new broad-based taxes to paper over a structural imbalance created by years of undercharging developers and failing to capture available grants. The revenue is there — we need the will to collect it and the discipline to spend it wisely.