



Testimony on Ballot Resolution to Amend Section 305 of the County Charter Limiting Property Tax Increases

**Ed Amatetti, President, MC Taxpayers League
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I am here as President of the Montgomery County Taxpayers League, a non-partisan organization that represent the residents of the county by advocating for an accountable, responsible, cost-effective government. All county residents are taxpayers. We all pay some of the income, property, sales, energy, or other taxes necessary to run our county government. And we are all recipients of the county services and therefore, benefit when the county is serving our interests in an equitable and cost-effective manner.

I am testifying in opposition to the proposed ballot resolution (to amend Section 305 of the county Charter) as currently written for two reasons: 1) it makes county government less accountable and arguably less fair; and; 2) it reduces an important tool to promote fiscal stewardship.

First, Accountability & Fairness. The Resolution's effect is to overturn the expressed will of the residents by making property tax increases easier in the future. It does this requiring only a two-thirds majority vote by Council for a property tax increase above the inflation rate, instead of the current unanimous vote. If this isn't a purpose of the Resolution, it would be limited to the proposed changes in methodology for measuring property tax increases without also including a change in the unanimous vote requirement.

The residents spoke when the amendment requiring a unanimous vote first passed via a ballot initiative after dozens of unpaid citizens collected tens of thousands of signatures to get the resolution on the ballot. The residents spoke again when they overwhelmingly passed Term Limits; its success attributed by TWP, Seventh State, and others to 9% increase in property taxes the year before. That's how some of you got elected. Now the County Exec seeks to overturn this hard-won ballot initiative with a new resolution doesn't require these thousands of signatures, but the wave of his hand – and your vote. The wording of the resolution might then be made as sinuous and confusing as possible, by combining two completely distinct purposes -- methodology and voting requirements – which might hide the fact that this would make increases in property taxes much easier in the future. This is unaccountable, undemocratic (given residents' previous efforts), and unfair. I hope Council doesn't abet this effort.

Concerning Fiscal Stewardship . The county is facing about \$500M in revenue shortfalls due to COVID, but the CE's savings plan calls for \$33M in cuts. I'm guessing this might be why this proposed Resolution is so urgent. But, in the past two years, the county's unions have been granted generous pay increases that I believe sure would not have passed as a ballot resolution. At the same time, the savings plan calls for stopping payments into the county's retirement fund – again. In the meantime, there is still no movement on desperate need to better evaluate spending programs and CAPEX against objectives – so for instance, our school system is consistently one the three biggest spenders per pupil among Maryland counties, yet we have declining schools and the largest achievement gap – and dozens of programs not working as advertised. We insist on moving ahead with BRT and other transportation projects that wouldn't pass an economic analysis done on the back of a napkin. We need more attention on fiscal stewardship.

Of this basis, I ask you to not let this resolution go further especially with the two-thirds vote requirement. Thank you.