



January 26, 2022

Honorable Gabe Albornoz
Council President
Montgomery County Council
100 Maryland Avenue, 4th Floor
Rockville, MD 20850

RE: Expedited Bill 2-22, Montgomery County Municipal Revenue Program – Amendments

Dear Council President Albornoz:

I write on behalf of the City of Gaithersburg in support of Expedited Bill 2-22, Montgomery County Municipal Revenue Program – Amendments.

Chapter 30A of the County Code establishes a program that allows reimbursements to municipalities for those public services provided by municipalities that would otherwise be provided by the County. Here in Gaithersburg, these services include transportation maintenance and “primary agency” police services- both of which benefit our residents but would be delivered by the County if the municipality did not provide them. The reimbursement program was intended to address the issue of property tax duplication since both the County and the municipality levy a property tax, but it is actually the municipality that provides that service within its jurisdiction. Because the amounts received by municipalities for reimbursement of provided services have been frozen since FY2012, while costs for these services have continued to increase, and the reimbursement formula, in its current form, inadequately supports these reimbursements, Gaithersburg has been insufficiently compensated for far too long. The time to remedy this problem is now.

The City of Gaithersburg, like its municipal partners across Montgomery County, takes pride in providing dependable and high-quality services to its residents and businesses. This legislation, as drafted, provides us with the funding required to maintain the levels of service that our communities have come to depend upon, is long-overdue, and equitably addresses this critical issue. Amending the law to provide more equitable reimbursement calculations, providing requirements for municipalities to participate in the municipal revenue program, providing a timeline when reimbursement activities must be accomplished, and codifying a consistent process method the County’s municipal partners are finally being fairly compensated. The amendments to update the formulas also allow for appropriate rebates to municipalities in the future. Not sure just a quick division.

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I would like to thank and recognize the Montgomery County Chapter of the Maryland Municipal League (MML), who has worked tirelessly on our behalf on this issue. In addition, I'd like to express my gratitude to the staff in the County Executive's Office, our municipal partners, and to all of you on the County Council for your support throughout this process. I hope that this bill will receive the favorable consideration it deserves, and bring to a close this long-standing issue.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jud Ashman", with a long horizontal flourish extending to the right.

Jud Ashman
Mayor
City of Gaithersburg