

Testimony on the Infrastructure Funding Workgroup Resolution

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Thank you, Council President Stewart, Council Vice President Jawando, and members of the County Council for the opportunity to testify on the proposed resolution to establish an Infrastructure Funding Workgroup. I congratulate the sponsors for recognizing the need for a comprehensive re-examination of how the County funds its infrastructure.

For the past 40 years that I have worked on this issue in the county, infrastructure financing has been undertaken in a piecemeal fashion: first as a limited Transportation Impact Fee ordinance in 1986 that was levied only in Germantown and Eastern Montgomery County, expanding it in the 1990s to Clarksburg and then countywide in the early 2000s, initiating a School Impact Tax and Recordation Tax Increment also in the early 2000s, adding the Recordation Tax increment for County Government CIP projects in the mid-2000s, a special taxing district for White Flint in 2010, and major increases to the Recordation Tax in the mid-2010s and again two years ago. The Impact Tax Laws themselves have undergone changes almost biennially since 1986.

With that background, I have some suggested revisions to the resolution:

1. The Workgroup composition is too large. As currently proposed, it would consist of 14 persons, or 15 if there is a Facilitator. Such a large group would be difficult logistically in arranging meetings, would discourage participation from individual members, and would be harder to generate a desired consensus on recommendations. **I suggest a total of 9 members (10 if there is a Facilitator), including one from:**

- **the Planning Department;**
- **the Parks Department;**
- **the Department of Transportation;**
- **the Department of General Services;**
- **the Department of Finance;**
- **the Office of Management and Budget;**
- **Montgomery County Public Schools;**
- **Montgomery College; and**
- **the Council Central Staff**

This composition would closely mirror the composition of the long-standing Infrastructure Maintenance Task Force (or IMTF), a staff group that I chaired for 15 years that meets every few years to identify the needs and priorities of the various types of heavy maintenance across the County agencies. There is no reason to include more than one representative per agency or department. The Department of General Services should be included since it manages nearly all the County Government projects not under DOT's purview, including those of the Department of Housing and Community Affairs, as well as the Departments of Public Libraries, Recreation, Police, Fire & Rescue, and others. Montgomery College has significant infrastructure needs and should be included. As this an effort to identify County needs, it would be inconsistent to include a member from the State Highway Administration.

2. For this purposes of this Workgroup, broaden the definition of “infrastructure” beyond transportation and public schools to explicitly include Montgomery College, parks, libraries, recreation centers, police and fire stations, stormwater management, telecommunications, and major capital initiatives needed to advance climate resilience, as well as the necessary rehabilitation or renovation of all the above. A truly comprehensive examination of infrastructure needs would go beyond merely the transportation and public schools improvements “counted” under the Growth & Infrastructure Policy.

However, the definition should not include (as suggested by the Planning Board) undergrounding utilities as well as sewer and water projects. Over the past several decades there has been an effort to program funding for limited utility undergrounding, but its costs have been so staggeringly high that Executives and Councils have regularly deferred them until they eventually have been deleted from the CIP altogether. Water and sewer projects are the joint purview of Montgomery and Prince George’s Counties and are funded not by taxpayers but by ratepayers; including water and sewer in this exercise would require participation of Prince George’s County staff and Council.

3. The Workgroup should develop a set of workable alternatives with their respective pros and cons, but it should not be expected to propose one or more “preferred” options. Selecting the preferred course(s) of action requires more than data analysis: it involves a qualitative—and inherently political—set of choices as to how much each constituency should pay or not pay. These are decisions that only you as Councilmembers can judge.

4. The Workgroup should have a budget. Collecting some of the background data could be done by working through the Workgroup members, but the task of identifying alternative funding options will require significant nationwide research and analysis of complex data sets. These tasks cannot be done by the Workgroup members without diverting substantial time from their regular duties. Furthermore, as the Planning Board recommends, the Council should hire an outside Facilitator to lead this effort.

I do not have an estimate of the total cost, but I suspect it could be in the \$25,000-50,000 range. If the Council agrees that such contractual assistance is necessary, the procurement of such assistance will delay the start of this exercise by a few months, but I nevertheless believe the March 2026 deadline for a progress report to the GO Committee and the June 2026 deadline for a final report can both be met.

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I would be happy to aid this Workgroup as a Facilitator or in some other substantive fashion.