



## OFFICE OF RACIAL EQUITY AND SOCIAL JUSTICE


Marc Elrich  
County Executive  
[Type here]

Tiffany Ward  
Director and Chief Equity Officer

### MEMORANDUM

February 8, 2024

To: Jennifer Bryant, Director  
Office of Management and Budget

From: Tiffany Ward, Director  
Office of Racial Equity and Social Justice 

Re: Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #24-50 Municipal Tax Duplication (MCPD)

- I. **FINDING:** The Office of Racial Equity and Social Justice (ORESJ) finds *Supplemental Appropriation #24-50 Payments to Municipalities* inconclusive. Based on an existing racial equity analysis of Expedited Bill 2-22 (which established the program under which proposed reimbursements were authorized) and a lack of information about how the redeployment of Montgomery County Police Officers in the First and Sixth Districts may impact racial disparities in public-police interactions, it is difficult to assess and conclude the racial equity impacts of this supplemental appropriation.
- II. **BACKGROUND:** The purpose of Supplemental Appropriation #24-50 Payments to Municipalities in the amount of \$1,076,584 is to allocate funding from Undesignated Reserves to cover cost increases for reimbursements to Gaithersburg and Rockville for payments related to police services. This reimbursement is related to changes in Montgomery County Police Department (MCPD) patrol coverage within the Cities of Rockville and Gaithersburg. According to available information, MCPD undertook this staffing change to redeploy officers to areas experiencing higher patrol vacancies<sup>1</sup>.

---

<sup>1</sup> [https://montgomerycountymd.granicus.com/MetaViewer.php?view\\_id=169&clip\\_id=17120&meta\\_id=170283](https://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&clip_id=17120&meta_id=170283)

Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #24-50  
Municipal Tax Duplication (MCPD)

February 8, 2024

Page 2 of 3

III. **ANALYSIS:** Two main policies are involved with this supplemental appropriation: The Montgomery County Municipal Revenue Program<sup>2</sup> and the stipulations under Bill 2-22,<sup>3</sup> which require a Quadrennial Utilization Assessment (QA) for payments to municipalities related to police services. Both policies involve property tax duplication resulting from municipalities and the County levying property taxes, while only the municipality delivers transportation, police, crossing guards, and park maintenance services within its jurisdiction<sup>4</sup>. The collection of property taxes and the distribution of services is a key function of local government. As research suggests, state and local tax policy is not race-neutral<sup>5</sup> and can potentially create or exacerbate inequities in the distribution of investments and benefits in the communities<sup>6</sup>. This is particularly true as the deployment of police services carries with it demonstrated racial equity impacts. Multiple REIAS and Racial Equity and Social Justice Impact Statements (RESJIS) on this topic are available here:

- RESJIS Bill 12-23 Police – Traffic Stops – Limitations:  
<https://www.montgomerycountymd.gov/OLO/Resources/Files/resjis/2023/Bill12-23.pdf>
- RESJIS Bill 45-20 Police – Community Policing – Data:  
<https://www.montgomerycountymd.gov/OLO/Resources/Files/resjis/2020/RESJ-Bill45-20.pdf>
- RESJIS Bill 17-21 Police – Community Informed Police Training:  
<https://www.montgomerycountymd.gov/OLO/Resources/Files/resjis/2021/Bill17-21-RESJ.pdf>
- RESJIS Bill 18-21: Police – Internal Affairs Procedures and Reporting Requirements:  
<https://www.montgomerycountymd.gov/OLO/Resources/Files/resjis/2021/Bill18-21-RESJ.pdf>
- Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #23-28 Police Accountability and Community Transparency (PACT) Grant Award:  
<https://www.montgomerycountymd.gov/ore/Resources/Files/23-28.pdf>

---

<sup>2</sup> Section 30A-1. [https://codelibrary.amlegal.com/codes/montgomerycounty/latest/montgomeryco\\_md/0-0-0-137859](https://codelibrary.amlegal.com/codes/montgomerycounty/latest/montgomeryco_md/0-0-0-137859)

<sup>3</sup> [https://www.montgomerycountymd.gov/council/Resources/Files/agenda/col/2022/20220201/20220201\\_7.pdf](https://www.montgomerycountymd.gov/council/Resources/Files/agenda/col/2022/20220201/20220201_7.pdf)

<sup>4</sup> [https://codelibrary.amlegal.com/codes/montgomerycounty/latest/montgomeryco\\_md/0-0-0-137859](https://codelibrary.amlegal.com/codes/montgomerycounty/latest/montgomeryco_md/0-0-0-137859)

<sup>5</sup> <https://www.cbpp.org/research/state-budget-and-tax/advancing-racial-equity-with-state-tax-policy>

<sup>6</sup> Carl Davis and Meg Wiehe. Institute on Taxation and Economic Policy. “Taxes and Racial Equity: An Overview of State and Local Policy Impacts”. Available at: <https://itep.org/taxes-and-racial-equity/>

- Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #24-21 Drone as First Responder Pilot Program (\$350,000):  
<https://www.montgomerycountymd.gov/ore/Resources/Files/24-21.pdf>

A full analysis of the policies involved with this Supplemental Appropriation is beyond the scope of this racial equity impact assessment. However, the Office of Legislative Oversight’s Racial Equity and Social Justice Impact Statement (RESJIS) found that Bill 2-22 is likely to have little or no impact on racial equity or social justice in the County and noted that the “OLO does not anticipate this bill will impact racial equity and social justice as the demographics of County residents who are losing revenue are comparable to the demographics of the municipalities receiving additional revenue”.<sup>7</sup> This finding, in combination with a lack of information about how the redistribution of police officers may impact racial disparities in policing, makes it difficult to assess and conclude the racial equity impacts of this supplemental appropriation.

cc: Marcus Jones, Chief, Montgomery County Police Department  
Ken Hartman, Director, Office of Strategic Partnerships, Office of the County Executive

---

<sup>7</sup> Office of Legislative Oversight. Racial Equity and Social Justice Impact Statement (RESJIS) of Expedited Bill 2-22 Montgomery County Municipal Revenue Program—Amendments. Available at <https://apps.montgomerycountymd.gov/ccllms/BillDetailsPage.aspx?RecordId=2743>