


P R O G R A M	NAME & TITLE	Frank J. Murphy, Acting Director	CITY of BALTIMORE	
	AGENCY NAME & ADDRESS	Department of Transportation (DOT) 417 East Fayette Street, Room 527		
	SUBJECT	City Council Bill 16-0728	M E M O	

TO The Honorable President and
Members of the City Council
c/o Natawna Austin
Room 400 City Hall

October 20, 2016

I am herein reporting on City Council Bill 16-0728 Discounted City Services and Equipment for Nonprofit Events for the purpose of requiring that the City grant a 50% discount for City services and equipment used to support a non-profit event; and generally relating to the provision of City support to non-profit events.

As proposed City Council Bill 16-0728 would provide a 50% discount on city services and equipment for events where the net proceeds are to be used for the benefit of a non-profit, tax-exempt charitable or religious organization.

In FY 2015 the Department of Transportation (DOT) provided services or equipment for 387 events affiliated with a non-profit or religious organization for a total cost of over \$1.52 million. In 2015, a discount of 50% was provided, resulting in about \$760,000 being charged to the organizations. The fees are charged so that DOT can cover the cost of providing the services and equipment and administering the permit program. DOT does not issue new permits to entities that have not paid their previous bill for services and equipment used for events.

As a result of CCB 16-0728 two processes need to be established: one to establish proof of non-profit tax-exempt status; and, two to prove that the net proceeds will go exclusively to the non-profit tax exempt organization. The new verification steps will result in extending the time needed to properly review permit applications. Many event requests are submitted with less than four weeks until the event. DOT requests a minimum of 6 weeks for approval. This condensed review timeline limits the ability for agencies to properly review the application and provide analysis of what city services and equipment are needed. The verification of non-profit tax-exempt status will add another layer onto an already complex process.

DOT objects to this bill because of the loss of revenue that the Agency will be responsible for covering from other areas of the budget.

Thank you for this opportunity to comment.

Respectfully,



Frank J. Murphy
Acting Director

FJM/PAF

Cc: Angela Gibson, Mayor's Legislative Liaison

