



May 12, 2025

Testimony: Council Bill 25-0036  
Baltimore City Payment in Lieu of Taxes Task Force  
Position: Support

Dear Budget & Appropriations Committee,

Clean Water Action supports Council Bill 25-0036, to establish the Baltimore City Payment in Lieu of Taxes Task Force, and asks you to pass this important bill without weakening amendments.

As the Council grapples with a FY26 budget proposal that is missing important investments in environmental justice needs, we must take a careful look at every potential source of revenue. Baltimore City is home to 9% of the state population and covers just 0.7% of the state's land area, but hosts nearly 20% of all tax-exempt property in Maryland, meaning that everyday residents and local businesses shoulder a disproportionate burden of financing public services as this land is removed from the City's property tax revenue. Even after deducting community benefits and contributions that the 14 nonprofit institutions in the City's current PILOT agreement make to the City, the Department of Finance has estimated that they use about \$47 million of municipal services a year – a financial gap of \$41 million that residents and businesses must fill, while PILOT institutions pay only \$6 million.

Just 11% of this gap (\$4.5 million) would be enough to begin citywide collection and composting of residential yard waste currently burned at BRESKO. Just 5% of this gap (\$2.1 million) would be enough to expand the city's Sewage Onsite Support program to comply with EPA and MDE's order to offer assistance with emergency cleanup and disinfection to every household with a sewage backup caused by City infrastructure – an order the Scott administration is still disputing two years after it was issued, citing its potential cost. As the Council considers how much nonprofit institutions in the PILOT should contribute to the City budget and who should be involved in shaping the next PILOT agreement, please consider which City residents must pay if these institutions do not: whether in terms of property and income tax, increased fines and fees, health impacts from air pollution from burning our yard waste, or the thousands of dollars to clean up a sewage backup caused by city infrastructure.

To set the City up for a successful budget, the task force created by Council Bill 25-0036 must be fair, transparent, and timely, with meaningful participation from workers at the institutions and residents throughout the community. Please pass this bill without weakening amendments to give Baltimore the best chance of an equitable PILOT agreement that will serve City residents.

Thank you,

Jennifer Kunze  
Maryland Organizing Director  
Jkunze@cleanwater.org