

Part D

Local Government

Local Government – Generally

Street Lighting Equipment

For metered streetlights on metal poles without overhead high voltage lines attached, maintenance is competitive, and local governments have a choice of the maintenance service provider. This competition allows the local governments to save money on maintenance costs, select from a wide array of choices for lamps and luminaire, and facilitate potentially faster response to reports of streetlight outages. Because of statutory restrictions regarding lighting equipment maintenance near high voltage lines, this option was not available to local governments where streetlights are on wooden poles with overhead high voltage lines attached. The passage of *Senate Bill 423/House Bill 875 (both passed)* allow local governments to purchase this type of street lighting equipment at fair market value from electric companies and to either perform maintenance on the equipment or to hire a contractor to perform the maintenance.

Affordable Housing

Housing affordability is a significant problem in Maryland. To assist local governments in alleviating this problem, the General Assembly passed *Senate Bill 710/House Bill 784 (both passed)* which authorize a county or municipality to support, foster, or promote an affordable housing program for low- or moderate-income households through various locally implemented methods or programs. A more detailed discussion of this issue may be found in the subpart “Economic and Community Development” under Part H – Business and Economic Issues in this *90 Day Report*.

Local Law Enforcement

The General Assembly passed legislation relating to local law enforcement activities. *Senate Bill 662/House Bill 1067 (both passed)* provide for the disposal of certain personal property in the possession of a local law enforcement unit after the property is no longer needed for a prosecution or, if the property is not connected with a prosecution, until retention is no

longer relevant to the agency. A more detailed discussion of these bills may be found under Part E – Crimes, Corrections, and Public Safety of this *90 Day Report*.

House Bill 740 (passed) increases various fees for service of process collected by a sheriff as part of a court proceeding, and it establishes a \$60 fee for service of a paper originating from a foreign court. The bill also alters the requirements for refunding fees to only require a refund of 50 percent of the fees, except for service of summary ejectment papers, and prohibits fees from being collected for certain service. For a more detailed discussion of this bill see Part F – Courts and Civil Proceedings of this *90 Day Report*.

Purchase of Development Rights

Local governments have a variety of tools at their disposal to preserve agricultural and forestry land; among these are zoning, subdivision, and development procedures. In addition, local jurisdictions might use land preservation techniques, such as the purchase of transferable development rights (TDRs), the purchase of development rights (PDRs), and innovative financing methods called installment purchase agreements (IPAs).

Under TDR programs, residents who occupy certain areas in a county (sending areas) are precluded from selling their land to developers. In exchange, these landowners are awarded TDRs which may be sold on the open market to developers. These rights are applied by developers to designated receiving areas (areas where the county is attempting to foster development). Generally, developers who purchase TDRs are allowed an increased density in these areas.

Sometimes paired with TDR programs, PDR and easement acquisition programs allow local jurisdictions to purchase development rights from landowners and then retire or extinguish those rights.

House Bill 1175 (passed) authorizes Anne Arundel, Baltimore, Howard, and Prince George's counties to enter into an agreement to purchase development rights. Within specified limitations, each of the four counties may determine, by resolution, the provisions, terms, conditions, and duration of the agreement. A payment obligation in an agreement authorized by the bill is a general obligation of the county and may not be subject to annual appropriation. The agreement, however, is not subject to any limitations that would otherwise be required in the county's charter, public local law, or public general law. An agreement authorized by the bill, the transfer or assignment of the agreement, and any payment required are exempt from State and local taxes.

Regional and Tri-county Councils

Mid-Shore Regional Council

The Mid-Shore Regional Council (MSRC) operates as a cooperative planning and development agency within Caroline, Dorchester, and Talbot counties. The regional council's

aim is to foster the physical, economic, and social development of the region and to initiate and coordinate plans and projects for the development of human and economic resources.

Senate Bill 440/House Bill 61 (both passed) codify certain bylaws of MSRC by (1) decreasing the number of county council members or county commissioners that serve on the regional council from nine to six (two from each county); and (2) authorizing the regional council to provide for public membership in addition to the private citizens that the council may already add as members.

Tri-County Council for the Lower Eastern Shore of Maryland

The Tri-County Council for the Lower Eastern Shore of Maryland (TCC) is a regional planning and development agency for an area comprised of Somerset, Wicomico, and Worcester counties. It is composed of municipal and county officials, county administrators, and members of the General Assembly. As a result of a 2004 amendment to the Wicomico County's charter, the voters in the county elected a county executive for the first time in November 2006.

Senate Bill 441/House Bill 303 (both passed) alter the voting representation of the Wicomico County government on the TCC from five county council members to four county council members plus the county executive.

Public Local Laws

Each session, the General Assembly considers a number of bills each affecting only one county. The following discussion is intended to provide a sampling of bills of that nature that passed.

Allegany County

House Bill 403 (passed) provides that, in Allegany County, during prosecution of a civil infraction related to the regulation of junkyards, the presence of the State's Attorney for the county is not required if the official who issued the citation is present at the trial on behalf of the county.

Anne Arundel County

Senate Bill 252 (passed) prohibits a person from standing in a highway in Anne Arundel County to solicit money or donations from an occupant of a vehicle or to advertise any message. The bill also repeals the Anne Arundel County Council's authority to adopt or regulate a permitting program for roadside solicitation.

The governing body of each county must establish a mental health advisory committee to serve as an advocate for a comprehensive mental health system for persons of all ages. *Senate Bill 890/House Bill 1243 (both passed)* allow the governing body of Anne Arundel

County to designate the Anne Arundel County Mental Health Agency, Inc., the county's core service agency, as the mental health advisory committee for the county.

Baltimore City

Senate Bill 278/House Bill 762 (both passed) conform State law to federal regulations by excluding a tenant of the Housing Authority of Baltimore City (HABC) from the right of tenant substitution applicable in Baltimore City. If a tenant of HABC dies, the surviving spouse or a member of the tenant's immediate family residing with the tenant at the time of death does not have the right to be substituted as tenant to the same extent as the original tenant; however, the surviving spouse or a member of the deceased's immediate family who is an occupant of the unit may be considered eligible for a lease in accordance with federal regulations and the admissions and continued occupancy policy of the housing authority.

Senate Bill 755/House Bill 458 (both passed) place a lower absolute limit on the amounts that a landlord or ground rent holder may recover in a suit, action, or proceeding to recover back (past-due) rent for abandoned or distressed property owned or acquired by Baltimore City. The bill also exempts these properties from certain provisions relating to reimbursement of expenses incurred in collecting past-due ground rents. The bill specifies a single place to send documents regarding ground rents on properties owned or acquired by the city.

Baltimore County

Senate Bill 376/House Bill 181 (both passed) increase the compensation for Baltimore County election judges and chief election judges from \$125 to \$162.50 per day and from \$160 to \$225 per day, respectively.

Calvert County

Senate Bill 164 (passed) prohibits the Calvert County Circuit Court Clerk from issuing a business license to a business for the first time if the license applicant does not submit certification that the business location is zoned for the type of business for which the license is being sought. The certification must be issued by either the Calvert County Department of Planning or a municipality (if the business is to be located in the municipality). In addition, the clerk may not endorse a change in the place of business until the licensee meets the zoning requirements applicable to a license issued for the first time.

House Bill 286 (passed) authorizes the Calvert County Commissioners to issue up to \$53.1 million in general obligation bonds for the construction, improvement, or development of public facilities capital projects and any cost incurred by the county in connection with the projects. The date of maturity of the bonds may not exceed 30 years.

Carroll County

Senate Bill 905 (Ch. 58) authorizes the Carroll County Commissioners to issue up to \$80.0 million in general obligation bonds for the acquisition, construction, improvement, or renovation of public buildings, facilities, and public works projects, and for installment purchase agreements for the acquisition of easements on agricultural and forestry lands. The date of maturity of the bonds may not exceed 30 years.

Senate Bill 844 (passed) authorizes the Carroll County Commissioners to license and regulate pawnbrokers and secondhand dealers to identify, prevent the disposition of, and return stolen property. The county commissioners are authorized to establish recordkeeping and reporting requirements, determine holding periods, set fees and civil penalties, and provide for enforcement as necessary.

House Bill 1225 (passed) provides that in Carroll County, if both a property owner and occupant have been notified more than twice during a 12-month period of a specified nuisance violation (overgrowing weeds, the accumulation of refuse on the property, presence of stagnant water, or presence of combustible material), the nuisance is considered to be an ongoing violation and additional notification is not required before the county takes action to abate the nuisance.

Cecil County

Senate Bill 326/House Bill 907 (both passed) increase, in Cecil County, the threshold amount for which a competitive bid contract must be used in the purchase of goods or services for the construction or repair of a bridge or road, or the purchase or lease of any road or construction equipment, from \$7,500 to \$10,000. The bills also repeal the limit on the dollar amount a particular contractor may receive in noncompetitively bid contracts during a two-month period.

Senate Bill 682 (passed) authorizes Cecil County to enter into installment purchase agreements for an aggregate purchase price of up to \$4.0 million plus interest to acquire the development rights for agricultural land.

House Bill 915 (passed) authorizes the Cecil County Commissioners to issue up to \$31.4 million in general obligation bonds for the construction or improvement of public facilities projects as well as any cost incurred by the county in connection with the projects. The date of maturity of the bonds may not exceed 30 years.

Charles County

Senate Bill 283 (passed) establishes the Charles County Prostate Cancer Pilot Program to fund prostate cancer screening and treatment and provide prostate cancer education to uninsured or economically challenged men in Charles County.

Dorchester County

With the passage of *Senate Bill 813 (passed)*, Dorchester County is included in the list of counties where the sheriff may appoint members of fire companies as deputy sheriffs to exercise the powers of deputy sheriffs at fires and while going to and from fires. The bill also adds Dorchester County to the list of counties in which the commanding officer of a fire or ambulance company may designate 12 members of the company to be deputy sheriffs to perform the duties of deputy sheriffs at specified events.

Frederick County

Chapter 144 of 2005 authorized collective bargaining for wages and benefits for full-time Frederick County deputy sheriffs at or below the rank of sergeant. With the passage of *Senate Bill 565/House Bill 252 (both passed)* full-time correctional officers in the Frederick County Sheriff's Office, at or below the rank of sergeant, are authorized to form or join a labor organization, to select an organization as their exclusive representative, and to engage in collective bargaining for wages and benefits through this exclusive representative.

Senate Bill 979/House Bill 1344 (both passed) establish ethics requirements for planning and zoning proceedings in Frederick County. Among the bills' provisions are the prohibition against applicants for certain changes in land use regulations from making campaign contributions to Frederick County Commissioners within two years of filing the application or within 30 days from the date either final action is taken on it or it is withdrawn – whichever is earlier; recusal requirements for commissioners receiving certain campaign contributions; disclosure requirements for ex parte communications; reporting requirements; and penalties.

Garrett County

The Garrett County Commissioners are currently authorized to dispose of surplus county property by public auction or public sale, or through a trade in for new or used equipment. After a number of years of disposing of electronic equipment via the county's annual auction, the county has determined that this means of disposal is not economically feasible. *House Bill 146 (Ch. 67)* gives the Garrett County Commissioners the alternative to dispose of surplus county property in the Garrett County landfill.

Senate Bill 274 (passed) authorizes Garrett County to grant, by law, a property tax credit for real property that is new construction or an improvement to real property owned or occupied by commercial or industrial businesses that meet specified employment and investment criteria. The county may (1) specify the minimum investment or job creation requirements for qualification for the credit; (2) designate an agency to administer the credit; and (3) specify the amount and duration of the credit, application procedure, and any additional criteria for eligibility or any other requirement or procedure for granting and administering the credit.

Harford County

Senate Bill 577/House Bill 677 (both passed) authorize the State’s Attorney for Harford County to bring an action in District Court to abate a nuisance after showing that the notice requirements have been satisfied and the nuisance has not been abated. The bill provides for notification requirements and states that if the applicable code enforcement agency has filed an action for equitable relief, the State’s Attorney may not bring an action under the bill.

Senate Bill 926/House Bill 1391 (both passed) authorize political committees in Harford County to conduct a fundraiser at which money or merchandise is awarded in a gaming event or 50/50. The prizes may not exceed the amounts otherwise allowed for a prize in the county.

Howard County

A Howard County auxiliary police officer is a private citizen who has been trained to provide uniformed volunteer services. An auxiliary police officer is not commissioned with sworn officer status and does not receive compensation for the officer’s services. *Senate Bill 745 (Ch. 52)* clarifies that an auxiliary police officer in Howard County, while on duty, is a covered employee for purposes of workers’ compensation.

House Bill 772 (passed) authorizes the Howard County Council to adopt an ordinance to enforce zoning regulations through administrative proceedings. The ordinance may include the authority to impose civil fines and penalties and to create liens and assess costs for zoning violations.

Montgomery County

Each county has a local board of elections made up of three regular members and two substitute members, with the exception of Prince George’s County which has five regular members and three substitute members. *House Bill 613 (Ch. 79)* increases the number of regular members of the board of elections in Montgomery County from three to five, three of whom must be of the majority party and the remaining two of the principal minority party.

House Bill 783 (passed) makes Montgomery County correctional officers eligible for enhanced workers’ compensation benefits for permanent partial disabilities. Correctional officers who are awarded claims of fewer than 75 weeks would instead be compensated at the rate for awards of 75 to 250 weeks. Montgomery County must pay a correctional officer two-thirds of the correctional officer’s average weekly wage, not to exceed one-third of the State average weekly wage.

L. Leonard Ruben, who served as a District Court Judge from 1974 to 1983 and as a Montgomery County Circuit Court Judge from 1983 to 1995, died on March 21, 2007, at age 81. Judge Ruben also served one term in the Maryland House of Delegates and was the husband of former State Senator Ida Ruben. *Senate Bill 1034 (passed)* renames the District Courthouse at 8552 Second Avenue in Silver Spring to be the Judge L. Leonard Ruben District Courthouse.

Prince George's County

Marriage License Fees

House Bill 653 (passed) increases the maximum amount of the additional marriage license fee that the Prince George's County Council is authorized to set from \$45 to \$60. The clerk of the court is required to pay the proceeds from the additional fee on a monthly basis to the Prince George's County Director of Finance who will distribute the money to the Family Crisis Center of Prince George's County. If the Family Crisis Center of Prince George's County changes its name or objectives or ceases to exist, the proceeds must be used to fund battered spouse shelters and domestic violence programs.

Special Taxing Districts

All counties have authority to establish special taxing districts for limited purposes, such as providing drainage improvements or providing street lighting. In addition, the governing bodies of counties that have adopted charter home rule or code home rule also have broad authority under the Express Powers Act to create special taxing districts to carry out most municipal services. Prince George's County operates under the charter home rule form of government.

Senate Bill 390/House Bill 622 (both passed) expand the authority of Prince George's County to create a special taxing district, levy ad valorem or special taxes, and issue bonds in order to finance the cost of renovation, rehabilitation, and repair of buildings and associated systems for existing residential condominiums that are designated as workforce housing.

Law Enforcement

House Bill 500 (Ch. 77) increases the number of assistant State's Attorneys the Prince George's County State's Attorney may appoint from 73 to 80. In addition, the bill increases the maximum annual salary for a deputy State's Attorney (from \$108,000 to \$115,000), an assistant State's Attorney (from \$100,000 to \$107,000), and the State's Attorney's administrative assistant (from \$59,000 to \$64,000).

House Bill 509 (passed) authorizes the use of automated enforcement systems at railroad crossings in Prince George's County to identify and issue citations to persons who pass through railroad crossings in violation of the Maryland Vehicle Law. For further discussion of this bill see Part G – Transportation and Motor Vehicles of this *90 Day Report*.

House Bill 680 (passed) authorizes the Prince George's County governing body to alter the duties of the Prince George's County Sheriff's Office. The new duties may include responding to domestic violence calls, acting as school resource deputies in county schools, and providing security for county public school sporting events or extracurricular activities. In addition, the sheriff's office may investigate any matter arising out of or incident to the duties authorized by the governing body under the bill. The additional duties authorized by the governing body must be enumerated by a memorandum of understanding (MOU) between the Prince George's County Police Department and the sheriff's office, which may be revised only

by the county's governing body. The MOU is effective until September 30, 2010, the date the bill terminates.

Building Surcharges

Prince George's County imposes a public safety and school facilities surcharge on new residential construction. The rates vary depending on whether the development is inside or outside of the Capital Beltway for the school facilities surcharge and inside or outside of the "developed tier," as defined in the county's 2002 General Plan, for the public safety surcharge. A portion of the public safety surcharge revenues collected in a Prince George's County municipality that maintains a police department must be distributed to the municipality's police department.

Senate Bill 582/House Bill 697 (both passed) alter the boundary of the current geographic area exempted from the school facilities surcharge in Prince George's County that applies to multi-family student housing near the University of Maryland, College Park campus. Subject to the approval of the Prince George's County Council and the municipality where the multi-family housing is located, the school facilities surcharge does not apply to multi-family housing, designated as student housing, for any areas not specified in the bill in the City of College Park, the City of Hyattsville, and the Town of Riverdale Park.

House Bill 908 (passed) increases, from 12 to 25 percent, the share of public safety surcharge revenues generated from construction projects located in a municipality in Prince George's County that is distributed to that municipality's police department. The bill does not affect public safety surcharge revenues distributed to the City of Laurel, which already receives 50 percent.

Queen Anne's County

Senate Bill 775/House Bill 791 (both passed) increase the salary of the Queen Anne's County State's Attorney from 90 to 100 percent of a District Court judge's salary beginning with the next term of office. It also authorizes the State's Attorney to appoint one or more deputy State's Attorneys with the approval of the county commissioners. Further, the bill sets forth the duties of the State's Attorney's Office, and specifies that the State's Attorney is entitled to reasonable expenses as provided for in the county budget for the operation of the office and the performance of the State's Attorney's duties.

House Bill 143 (passed) authorizes Queen Anne's County to grant, by law, a property tax credit for real property owned by a business that meets specified criteria related to employment and real property improvements of a nonresidential structure. The county is authorized to further define, fix, or limit the amount, terms, scope, and duration of any credit authorized. The bill applies to all taxable years beginning after June 30, 2007.

St. Mary's County

House Bill 447 (passed) prohibits the distribution of any tobacco products, cigarette rolling papers, and coupons redeemable for tobacco products to minors in St. Mary's County. A person has not violated the prohibition if the person examined the driver's license or other government issued identification of the person receiving the items and the identification indicates the recipient is at least 18 years old.

House Bill 602 (passed) authorizes the St. Mary's County Commissioners to transfer any surplus county real property to a private nonprofit organization or to the county's housing authority. The bill requires a public hearing on the transfer with specific issues that must be considered, as well as notification procedures which must include an appraisal of the property's value.

House Bill 603 (passed) exempts a property deeded before January 1, 1994, with a residence built upon it by January 1, 2007, from St. Mary's County subdivision regulations for purposes of the construction of either an addition to the residence or an accessory building on the property.

Somerset County

The General Assembly altered the salaries for several elected officials in Somerset County during the 2007 session. Salary changes for elected officials take effect at the beginning of the next term of office. *Senate Bill 62/House Bill 13 (both passed)* increase the annual salaries of the Somerset County Commissioners and the members of the Somerset County Roads Board from \$6,000 to \$7,500 each. The salaries for the presidents of the county commissioners and the Roads Boards increase from \$6,000 to \$8,500. *Senate Bill 202/House Bill 145 (both passed)* increase the annual salary of the Somerset County Treasurer from \$44,300 to \$60,000.

Washington County

House Bill 352 (passed) authorizes the Washington County Commissioners to issue up to \$80 million in general obligation bonds for the construction or reconstruction of capital projects and installment purchase agreements (IPAs) for the acquisition of easements on agricultural and forestry lands. The date of maturity of the bonds may not exceed 30 years.

House Bill 726 (passed) provides that the commanding officer of a fire and ambulance company in Washington County may designate to the county sheriff up to 20 members of that company for appointment as fire police in the county. The sheriff of Washington County must then appoint individuals from the designated 20 to serve as fire police. The powers of appointees are limited to traffic control and scene safety while functioning at specified events.

House Bill 1355 (passed) suspends the building excise tax rate caps in Washington County during fiscal 2008 only. Any excise tax imposed by the county commissioners during that year may be based on the construction's square footage and imposed on an increasing

graduated scale. The county commissioners are required to appoint a task force to study and make recommendations concerning excise tax rates for residential development. The task force has to submit its findings and recommendations to members of the General Assembly representing Washington County and the county commissioners by September 30, 2007. The bill terminates June 30, 2008.

Worcester County

Senate Bill 374/House Bill 323 (both passed) increase the minimum annual salary of the Worcester County Sheriff and establishes sheriff's office personnel guidelines. Subject to statute and the reasonable application of county personnel rules and regulations, the bill specifies that the Worcester County Sheriff has complete control over the employees in the sheriff's office.

Senate Bill 833/House Bill 683 (both passed) expand the authority of a full-time fire and explosive investigator in Worcester County. Among other things, the bills provide that such an investigator has the same authority as the State Fire Marshal and assistants, including the authority to make a warrantless arrest while operating in or outside of the county under certain circumstances.

Municipal Governments

Urban Renewal Authority for Slum Clearance

Four municipal corporations in Dorchester County sought and received from the General Assembly urban renewal authority for slum clearance under the provisions of Article III, § 61 of the Constitution of Maryland. These bills add an appendix to the charter of each of the four municipal corporations addressing that municipality's powers relating to urban renewal projects, the creation of an urban renewal agency, approval of an urban renewal plan, disposal and condemnation of property in an urban renewal area, and the issuance of general obligation and revenue bonds. These bills granted urban renewal authority for slum clearance and redevelopment to the Town of Brookview in *Senate Bill 1008/House Bill 1365 (both passed)*, the Town of Eldorado in *Senate Bill 1009/House Bill 1362 (both passed)*, the Town of Galestown in *Senate Bill 1010/House Bill 1366 (both passed)*, and the Town of Hurlock in *Senate Bill 1011/House Bill 1364 (both passed)*.

With the passage of these bills, 68 out of 156 municipal corporations now have urban renewal powers under the Constitution.

Municipal Taxes

Senate Bill 591/House Bill 523 (both failed) would have authorized a municipal corporation to adopt an ordinance or resolution to impose a building excise tax on all types of building construction within the municipality. The tax rate would have to relate to the development or growth-related infrastructure needs in the municipality. The bill would also have

allowed a municipality to provide for tax credits against and exemptions from the building excise tax. Before a municipality could impose an excise tax, it would have had to hold a public hearing, and it would have been prohibited from imposing an excise tax if it already imposes an impact fee.

Senate Bill 402/House Bill 518 (both failed) as introduced would have authorized a municipality to impose a maximum 3 percent hotel rental tax. The bills would have provided that if an eligible municipality imposed the tax, the county could impose a hotel rental tax within the municipality that is lower than the rate imposed outside the municipality.

Bi-county Agencies

Maryland-National Capital Park and Planning Commission

The Maryland-National Capital Park and Planning Commission (MNCPPC) is a bi-county agency empowered by the State in 1927 to acquire and administer a regional system of parks within the Maryland-Washington Regional District and administer a general plan for the physical development of the area. In 1970, MNCPPC became responsible for managing the Prince George's County public recreation program. MNCPPC is governed by a 10-member commission with 5 members appointed by the county executive of Prince George's County and confirmed by the county council and 5 members appointed by the Montgomery County Council with the approval of the county executive.

Service Contracts

House Bill 710 (passed) requires that before MNCPPC may solicit certain service contracts as part of a management plan intended to adversely affect MNCPPC employees who are represented by a certified representative and that exceed an annual cost of \$75,000, the Secretary-Treasurer of MNCPPC must provide certification that the commission has considered alternatives to a certain service contract, consulted with the certified representatives of any commission employees who will be adversely affected by the service contract, and demonstrated, based on a cost comparison analysis and good faith estimates, that the commission will save at least an amount equal to the lesser of \$200,000 or 20 percent or more of the estimated net present value of the cost of the service contract.

This bill also requires the commission to provide not less than 60 days advanced notice and maintain a formal plan of outplacement assistance for each commission employee who is represented by a certified representative and who will be adversely affected by the service contract.

An adversely affected employee's certified representative may submit a proposal for existing bargaining unit commission employees to continue to perform the services described in the solicitation while achieving the targeted results.

An adversely affected employee's certified representative may also file an appeal on the record on behalf of the employee before the State Office of Administrative Hearings. If the hearing officer finds that the commission was arbitrary and capricious in soliciting or entering into a service contract subject to the Act and that the commission employee has been adversely affected, the hearing officer may award the employee actual damages.

Open Space Dedication

MNCPPC and the governing bodies of Montgomery and Prince George's counties may adopt regulations governing the subdivision of land within the Maryland-Washington Regional District. Among other things, these regulations may provide for adequate open spaces, by dedication or otherwise, and they may provide for the payment of a fee in lieu of open space dedication.

House Bill 711 (passed) removes a cap on a monetary fee to be paid in lieu of dedication of open spaces for public use or the conveyance of areas designated for dedication as open space under zoning and subdivision regulations and instead authorizes the fee to be based on the current market value of the land after it has been approved for development. The cap on the dedication fee was 5 percent of the total new market value of the land, as stated on the final assessment notice issued by the State Department of Assessments and Taxation.

The revenues generated by this fee are to be used by MNCPPC to purchase open spaces for the use and benefit of the subdivision in cases where dedication would be impractical.

Maryland-Washington Metropolitan District Boundaries

For the purpose of administering Montgomery County's metropolitan district tax, the boundaries of the Maryland-Washington Regional District includes all of Montgomery County, except the areas within the boundaries of cities of Rockville and Gaithersburg and the Town of Washington Grove, as those boundaries existed on a certain date. For example, areas within the municipal boundaries of Rockville as of July 1, 1961, are excluded from the metropolitan district.

As a result, any land annexed by the cities of Rockville and Gaithersburg and the Town of Washington Grove *after* the date specified in the original enactment remains in the Maryland-Washington Regional District and is subject to the metropolitan district tax. *House Bill 723 (passed)* modifies the boundaries of the Maryland-Washington Regional District to exclude the areas within the municipalities as of October 1, 2007, and any area annexed into one of these municipalities in the future. In effect, this would statutorily exclude those properties currently located in one of these municipalities and the metropolitan district from having to pay the metropolitan district tax. Also, the bill prohibits Montgomery County from collecting any delinquent metropolitan district taxes owed by any area of the county that were not levied prior to July 1, 2007. The bill also requires Prince George's County, Montgomery County, and MNCPPC to provide a report to the county delegations of the General Assembly regarding the fee schedule for the use of each county's parks and recreational facilities and services.

Zoning and Land Use Planning for the Town of Kensington

The Town of Kensington lies within the Maryland-Washington Regional District, and thus, planning and zoning decisions are generally within the jurisdiction of the district council and the planning board for Montgomery County. The Montgomery County Council sits as the district council for that part of the regional district lying within Montgomery County. Similarly, those members of MNCPPC from Montgomery County sit as the county planning board.

House Bill 708 (passed) authorizes the Town of Kensington to have concurrent jurisdiction with Montgomery County to enforce county zoning ordinances within its corporate limits. This bill also requires a two-thirds majority vote of both the planning board and the district council of Montgomery County to take any action relating to zoning within the Town of Kensington. Finally, this bill requires a two-thirds majority vote of the planning board of Montgomery County to take any action relating to land use planning that is contrary to a resolution of the Mayor and Town Council of Kensington.

Washington Suburban Sanitary Commission

The Washington Suburban Sanitary Commission (WSSC) is among the 10 largest water and sewer utilities in the country, providing water and sewer services to 1.6 million residents in Montgomery and Prince George's counties. It has a total budget of \$757.1 million (\$502.1 million operating budget and \$255.0 million capital budget) in fiscal 2007, has over 400,000 customer accounts, and serves an area of around 1,000 square miles. It operates three reservoirs, two water filtration plants, and six wastewater treatment plants.

Minority and Local Small Business Enterprise Programs

The WSSC's minority business utilization program for construction contracts was first authorized by the General Assembly in 1979, and the goods and services program was added in 1992. These programs expired on June 30, 2006. Prior to their expiration, both programs operated under the same terms required by this bill.

Under State procurement law, a minority business enterprise (MBE) is a legal entity, other than a joint venture, that is:

- organized to engage in commercial transactions;
- at least 51 percent owned and controlled by one or more individuals who are socially and economically disadvantaged; and
- managed by, and the daily business operations of which are controlled by, one or more of the socially and economically disadvantaged individuals who own it.

MBEs include not-for-profit entities organized to promote the interests of physically or mentally disabled individuals.

A socially and economically disadvantaged individual is defined as a citizen or legal U.S. resident who is African American, Native American, Asian, Hispanic, physically or mentally disabled, a woman, or otherwise found by the State’s MBE certification agency to be socially and economically disadvantaged.

A socially disadvantaged individual is someone who has been subject to racial or ethnic prejudice or cultural bias within American society because of their membership in a group and without regard to individual qualities. An economically disadvantaged individual is someone who is socially disadvantaged and whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities compared with those who are not socially disadvantaged. An individual with a personal net worth in excess of \$1.5 million is not considered economically disadvantaged.

House Bill 691 (passed) reauthorizes WSSC’s prior two minority business utilization programs. The programs establish goals for including certified MBEs in WSSC procurement and provide certain bidding preferences to MBEs. The bill also codifies the existing Office of Small, Local, and Minority Business Enterprise within WSSC, and charges it with administering programs that promote the growth or participation of MBEs in WSSC procurements. The bill provides that in order to be certified as a local small business under WSSC’s optional Local Small Business Enterprise Program, a firm must have at least 25 percent, rather than the 30 percent under current law, of its employees living in either Montgomery or Prince George’s counties.

WSSC is also authorized to operate a local small business enterprise program which has not expired. The program allows WSSC to establish sheltered market or other preferences and assistance for local small businesses. *House Bill 692 (passed)* alters the local small business eligibility criteria for the WSSC Local Small Business Enterprise Program to match the small business criteria in effect for the State Small Business Preference Program under State law and regulations adopted by the Department of General Services (DGS).

DGS regulations define a “small business” as a business that is:

- independently owned and operated;
- not a subsidiary of another firm; and
- not dominant in its field of operation.

DGS regulations also impose the following restrictions depending on the business classification (wholesale, retail, manufacturing, service, or construction):

- maximum average gross sales for the previous three fiscal years (\$7 million for construction, \$2 million for the others); and
- the number of employees the business may employ (25 for retail, 50 for wholesale and construction, and 100 for manufacturing and service).

Exemptions to System Development Charges

WSSC is authorized to impose a system development charge on applicants for new service, defined as the first-time connection of a property to the WSSC water or sewer system or new connections/increased water meter size for an existing property under certain circumstances. The funds collected under the charge are used for new treatment, transmission, collection facilities, and other capital expenses needed to accommodate growth.

State law provides for several exemptions to the WSSC development charge. A full or partial exemption must be granted to public sponsored or affordable housing. A full or partial exemption may be granted for revitalization projects, residential property located in a mixed retirement development in Prince George's County, planned retirement community in Montgomery County, other elderly housing, or properties used for biotechnology research and development or manufacturing.

House Bill 667 (passed) adds to the exemptions the system development charge. The bill authorizes the county councils of Prince George's and Montgomery counties to grant a full or partial exemption from a system development charge for property owned by a community-based § 501(c)(3) tax-exempt entity that has the mission and purpose of providing programs and services to youth, if the property is used exclusively for programs and services to youth, and caps the exemption at \$80,000. The bill also requires the county councils to report to the Prince George's County Delegation, Montgomery County Delegation, and to the General Assembly regarding the exemptions on or before June 30, 2009. The bill terminates June 30, 2009.

Consolidation of Bonds

House Bill 693 (passed) authorizes WSSC to consolidate its loans or bonds authorized to be issued by separate enabling legislation into a single bond issuance designated as a "consolidated public improvement bond." Unless the bonds are authorized to be sold at private sale, WSSC must advertise the bond sale at least once in a newspaper of general circulation in the Washington Suburban Sanitary District. The net proceeds from the sale of the bonds must be applied in the manner and for the purposes designated in the separate enabling legislation authorizing the bond issuances.

Issuance of Plumber/Gasfitter Licenses

WSSC has the sole power to grant licenses to persons desiring to work at plumbing businesses in Montgomery and Prince George's counties that are under the commission's jurisdiction. Within this jurisdiction, WSSC exercises all power and authority conferred upon the State Board of Plumbing. Any person holding a valid plumber's license issued by WSSC is entitled to be issued a plumber's license by the State Board of Plumbing upon presentation of a valid license and a notarized statement of good standing issued by WSSC. Further, any plumber residing within WSSC's jurisdiction, who holds a valid license issued by the State Board of Plumbing, is entitled to be issued a license by WSSC without examination upon presentation of a valid license issued by the State.

House Bill 664 (passed) authorizes WSSC to issue a plumber/gasfitter license without examination to an individual holding a valid plumber/gasfitter license from the State Board of Plumbing, regardless of whether the licensee resides within the commission's jurisdiction.

Jurisdiction over Fuel Gas

House Bill 709 (passed) repeals a statutory provision restricting the WSSC's jurisdiction regarding bottled gas and premises upon which only bottled gas is consumed. Accordingly, this measure will authorize WSSC to regulate the use of propane within the Washington Suburban Sanitary District. The bill also authorizes WSSC to adopt regulations for the installation of fuel gas piping, appliances, appurtenances, and connections from the point of service supplying any premises in the Washington Suburban Sanitary District. WSSC may require a permit and charge a fee for the installation of these fuel gas piping, appliances, appurtenances, and connections.

