

SENATE BILL 793

L4, L2

8lr1761
CF HB 483

By: **Senators Glassman and Jacobs**

Introduced and read first time: February 5, 2008

Rules suspended

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Harford County – Special Taxing Districts – Creation**

3 FOR the purpose of authorizing Harford County to exercise certain powers concerning
4 the creation of special taxing districts, the levying of certain taxes, and the
5 issuing of certain bonds for developing and financing certain infrastructure
6 improvements under certain circumstances; authorizing Harford County to
7 create a special taxing district only in certain areas; requiring that a local law
8 creating a special taxing district be enacted in a certain manner; authorizing
9 the governing body of Harford County to consider certain elements of a
10 development that would receive the proceeds of a certain bond at a certain
11 public hearing; requiring certain disclosure to buyers of real property within a
12 special taxing district of certain charges for which the buyer would be liable;
13 providing that failure to provide certain disclosure makes a contract for the
14 purchase of real property within a special taxing district voidable under certain
15 circumstances; requiring that adequate debt service reserve funds be
16 maintained by Harford County; providing that Harford County may establish a
17 special taxing district only if all the owners of real property within the proposed
18 special taxing district petition the county for the creation of the special taxing
19 district; and generally relating to the authority of Harford County to create
20 special taxing districts for developing and financing infrastructure
21 improvements.

22 BY repealing and reenacting, without amendments,
23 Article 24 – Political Subdivisions – Miscellaneous Provisions
24 Section 9–1301(a)
25 Annotated Code of Maryland
26 (2005 Replacement Volume and 2007 Supplement)

27 BY repealing and reenacting, with amendments,
28 Article 24 – Political Subdivisions – Miscellaneous Provisions

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 9–1301(b) and (c)
2 Annotated Code of Maryland
3 (2005 Replacement Volume and 2007 Supplement)

4 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
5 MARYLAND, That the Laws of Maryland read as follows:

6 **Article 24 – Political Subdivisions – Miscellaneous Provisions**

7 9–1301.

8 (a) (1) In this section the following words have the meanings indicated.

9 (2) (i) “Bond” means a special obligation bond, revenue bond, note,
10 or other similar instrument issued by the county in accordance with this section.

11 (ii) “Bond” includes a special obligation bond, revenue bond,
12 note, or similar instrument issued by the revenue authority of Prince George’s County.

13 (3) “Cost” includes the cost of:

14 (i) Construction, reconstruction, and renovation, and
15 acquisition of all lands, structures, real or personal property, rights, rights-of-way,
16 franchises, easements, and interests acquired or to be acquired by the county;

17 (ii) All machinery and equipment including machinery and
18 equipment needed to expand or enhance county services to the special taxing district;

19 (iii) Financing charges and interest prior to and during
20 construction, and, if deemed advisable by the county, for a limited period after
21 completion of the construction, interest and reserves for principal and interest,
22 including costs of municipal bond insurance and any other type of financial guaranty
23 and costs of issuance;

24 (iv) Extensions, enlargements, additions, and improvements;

25 (v) Architectural, engineering, financial, and legal services;

26 (vi) Plans, specifications, studies, surveys, and estimates of cost
27 and of revenues;

28 (vii) Administrative expenses necessary or incident to
29 determining to proceed with the infrastructure improvements; and

30 (viii) Other expenses as may be necessary or incident to the
31 construction, acquisition, and financing of the infrastructure improvements.

1 (4) In Prince George's County, "cost" includes the cost of renovation,
2 rehabilitation, and repair of existing buildings, internal and external structural
3 systems, elevators, facades, mechanical systems and components, and security
4 systems.

5 (b) This section applies only to Anne Arundel County, Calvert County,
6 Charles County, Garrett County, **HARFORD COUNTY**, Howard County, Prince
7 George's County, St. Mary's County, Washington County, and Wicomico County.

8 (c) (1) Subject to the provisions of this section, and for the purpose stated
9 in paragraph (2) of this subsection, the county may:

- 10 (i) Create a special taxing district;
- 11 (ii) Levy ad valorem or special taxes; and
- 12 (iii) Issue bonds and other obligations.

13 (2) The purpose of the authority granted under paragraph (1) of this
14 subsection is to provide financing, refinancing, or reimbursement for the cost of the
15 design, construction, establishment, extension, alteration, or acquisition of adequate
16 storm drainage systems, sewers, water systems, roads, bridges, culverts, tunnels,
17 streets, sidewalks, lighting, parking, parks and recreation facilities, libraries, schools,
18 transit facilities, solid waste facilities, and other infrastructure improvements as
19 necessary, whether situated within the special taxing district or outside the special
20 taxing district if the infrastructure improvement is reasonably related to other
21 infrastructure improvements within the special taxing district, for the development
22 and utilization of the land, each with respect to any defined geographic region within
23 the county.

24 (3) A law enacted by Anne Arundel County under the authority of this
25 section:

26 (i) Shall specify the types of infrastructure and related costs
27 that may be financed;

28 (ii) Shall require:

29 1. Reasonable disclosure in the real estate contract to
30 buyers of real property within a special taxing district of any special assessment,
31 special tax, or other fee or charge for which the buyer would be liable due to the
32 special taxing district;

33 2. That a seller's failure to provide the disclosure
34 required under subitem 1 of this item renders the contract voidable at the option of the
35 buyer before the date of settlement; and

1 **(6) (I) THIS PARAGRAPH APPLIES ONLY TO HARFORD**
2 **COUNTY.**

3 **(II) THE COUNTY MAY EXERCISE THE AUTHORITY GRANTED**
4 **UNDER THIS SECTION ONLY IN DESIGNATED GROWTH AREAS AS DEFINED IN THE**
5 **COUNTY MASTER PLAN AND LAND USE ELEMENT PLAN.**

6 **(III) A LAW CREATING A SPECIAL TAXING DISTRICT SHALL**
7 **BE ENACTED BY A BILL ADOPTED BY THE COUNTY GOVERNING BODY.**

8 **(IV) AT THE PUBLIC HEARING ON A BILL CREATING A**
9 **SPECIAL TAXING DISTRICT, THE COUNTY GOVERNING BODY MAY CONSIDER,**
10 **AMONG OTHER THINGS, THE FOLLOWING ELEMENTS OF A PROPOSED**
11 **DEVELOPMENT THAT WOULD RECEIVE THE PROCEEDS OF A PROPOSED BOND**
12 **UNDER THIS SECTION:**

13 **1. DEVELOPMENT DESIGN STANDARDS;**

14 **2. THE USE OF TRANSFER OF DEVELOPMENT RIGHTS**
15 **OR OTHER METHODS OF ACHIEVING DENSITY OF DEVELOPMENT;**

16 **3. DESIGN AND USAGE OF OPEN SPACE; AND**

17 **4. AVAILABILITY AND DESIGN OF RECREATIONAL**
18 **AND EDUCATIONAL FACILITIES.**

19 **(V) A LAW ENACTED BY THE COUNTY CREATING A SPECIAL**
20 **TAXING DISTRICT SHALL REQUIRE:**

21 **1. REASONABLE DISCLOSURE IN THE REAL ESTATE**
22 **CONTRACT TO BUYERS OF REAL PROPERTY WITHIN A SPECIAL TAXING DISTRICT**
23 **OF ANY SPECIAL ASSESSMENT, SPECIAL TAX, OR OTHER FEE OR CHARGE FOR**
24 **WHICH THE BUYER WOULD BE LIABLE DUE TO THE SPECIAL TAXING DISTRICT;**

25 **2. THAT A SELLER'S FAILURE TO PROVIDE THE**
26 **DISCLOSURE REQUIRED UNDER ITEM 1 OF THIS SUBPARAGRAPH RENDERS THE**
27 **CONTRACT VOIDABLE AT THE OPTION OF THE BUYER BEFORE THE DATE OF**
28 **SETTLEMENT; AND**

29 **3. THAT ADEQUATE DEBT SERVICE RESERVE FUNDS**
30 **BE MAINTAINED.**

31 **(VI) NOTWITHSTANDING SUBSECTION (D) OF THIS SECTION,**
32 **BEFORE THE COUNTY MAY ESTABLISH A SPECIAL TAXING DISTRICT, ALL OF THE**

1 OWNERS OF REAL PROPERTY WITHIN THE PROPOSED SPECIAL TAXING DISTRICT
2 MUST PETITION THE COUNTY FOR THE CREATION OF THE SPECIAL TAXING
3 DISTRICT.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 June 1, 2008.