

Introduced 10/5/16
Public Hearing 10/17/16
Council Action 11/9/16
Executive Action 11/14/16
Effective Date 1/14/17

County Council of Howard County, Maryland

2016 Legislative Session

Legislative Day No. 16

Bill No. 69-2016

Introduced by: The Chairperson at the request of the County Executive

AN ACT providing that the ad valorem charge may be a source of funds for water and sewer capital projects; making certain technical corrections, and generally relating to the ad valorem charge.

Introduced and read first time October 5, 2016. Ordered posted and hearing scheduled.

By order Jessica Feldmark
Jessica Feldmark, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on October 17, 2016.

By order Jessica Feldmark
Jessica Feldmark, Administrator

This Bill was read the third time on November 9, 2016 and Passed , Passed with amendments _____, Failed _____.

By order Jessica Feldmark
Jessica Feldmark, Administrator

Sealed with the County Seal and presented to the County Executive for approval this 10th day of November, 2016 at 4 a.m./p.m.

By order Jessica Feldmark
Jessica Feldmark, Administrator

Approved Vetoed by the County Executive Nov 14, 2016

Allan H. Kittleman
Allan H. Kittleman, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment

1 *Section 1. Be It Enacted by the County Council of Howard County, Maryland, that the Howard*
2 *County Code is amended as follows:*

3 1. *By amending Subtitle 20 "Taxes, Charges and Fees"*
4 *Section 20.601 "Utility charges and assessments; purpose".*
5 *Subsection (6)*

6
7 2. *By amending Subtitle 20 "Taxes, Charges and Fees"*
8 *20.613 "Ad valorem charge"*
9 *Subsections (1) and (6).*

10
11 **Title 20. Taxes, Charges and Fees.**
12 **Subtitle 6. Utility Charges and Assessments.**

13
14 **Section 20.601. Utility charges and assessments; purpose.**

15 (6) *Ad Valorem Charge.* The ad valorem charge as authorized by this subtitle shall be a source
16 of revenue designated to cover the cost to Howard County of retiring bonds issued by the County
17 [[(or the former Metropolitan Commission)]] and of paying the interest thereon, [[and/or]] the
18 payment of salaries and other expenses of the Department of Public Works related to water and
19 sewerage [[systems]]SYSTEMS, AND/OR AS A FUNDING SOURCE FOR WATER AND SEWER CAPITAL
20 PROJECTS.

21
22 **Section 20.613. Ad valorem charge.**

23 (1) *Purpose.* The ad valorem charge shall be a source of revenue designated to cover the
24 cost to Howard County of retiring bonds issued by the County[[, or the former Metropolitan
25 Commission,]] and of paying the interest [[thereon]]THEREON. THE CHARGE MAY ALSO BE
26 USED FOR [[and/or]] the payment of salaries and other expenses of the Department of Public
27 Works related to water and sewerage systems OR AS A FUNDING SOURCE FOR WATER AND
28 SEWER CAPITAL PROJECTS, OR BOTH.

29 (6) *Special Account; Use of Receipts.* The Director of Finance shall credit all receipts from
30 the ad valorem charge to a special account to the credit of the metropolitan district. From
31 these receipts and from the amount in hand in the front-foot benefit assessment charge

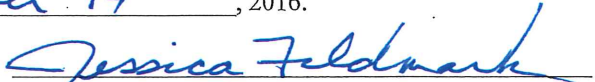
1 account, [[he]] THE DIRECTOR shall first pay all interest and principal on metropolitan
2 district bonds as they become [[due,]] DUE. THE DIRECTOR MAY THEN PAY the salaries and
3 expenses of the Department of Public Works (related to water and sewer systems) OR THE
4 COSTS RELATED TO WATER AND SEWER CAPITAL PROJECTS, OR BOTH. [[, and]] THE DIRECTOR
5 shall then deposit the residue of the receipts in some bank to the credit of the metropolitan
6 district. The Director [[of Finance]] is authorized to pay the interest on any bonds that may
7 be issued out of the proceeds of the sale of such bonds, but not more than one-year's interest
8 may be so expended.

9

10 *Section 2. And Be It Further Enacted by the County Council of Howard County, Maryland that*
11 *this Act shall become effective 61 days after its enactment.*

BY THE COUNCIL

This Bill, having been approved by the Executive and returned to the Council, stands enacted on November 14, 2016.



Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having been passed by the yeas and nays of two-thirds of the members of the Council notwithstanding the objections of the Executive, stands enacted on _____, 2016.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having received neither the approval nor the disapproval of the Executive within ten days of its presentation, stands enacted on _____, 2016.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, not having been considered on final reading within the time required by Charter, stands failed for want of consideration on _____, 2016.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having been disapproved by the Executive and having failed on passage upon consideration by the Council stands failed on _____, 2016.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, the withdrawal of which received a vote of two-thirds (2/3) of the members of the Council, is withdrawn from further consideration on _____, 2016.

Jessica Feldmark, Administrator to the County Council



HOWARD COUNTY DEPARTMENT OF FINANCE

3430 Courthouse Drive ■ Ellicott City, Maryland 21043 ■ 410-313-2195

Stanley J. Milesky, Director
smilesky@howardcountymd.govFAX 410-313-4433
TDD 410-313-2323

August 25, 2016

TO: Lonnie R. Robbins
Chief Administrative Officer**FROM:** Stanley J. Milesky
Director of Finance

A handwritten signature in blue ink, appearing to read 'Stanley J. Milesky', written over the printed name.

SUBJECT: Testimony for Ad Valorem Charges – Council Bill

The Howard County Code (Subtitle 20 “Taxes, Charges and Fees” Sections 20.601 through 20.613) allows for the use of the ad valorem charge as “a source of revenue designated to cover the costs to Howard County of retiring bonds issued by the County, or former Metropolitan Commission, and of paying the interest thereon, and/or the payment of salaries and other expenses of the Department of Public Works related to water and sewerage systems.”

The proposed legislation extends the use of the ad valorem charge to allow this revenue source to be used to fund PayGo water and sewerage system capital projects. Additional corrective language is also offered to strike references to the “former Metropolitan Commission” as the Commission is no longer in existence and the bonds issued by the former have all been retired. The term is no longer applicable and should be stricken from the language of these sections.

cc: Nikki Griffith
Rafiu O. Ighile
James Irvin
Jennifer Sager
Holly Sun