

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE

House Bill 1160 (Washington County Delegation)  
Commerce and Government Matters

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**Washington County - Water and Sewer Department - Payment of Fees,  
Assessments, and Charges**

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This bill changes the method of payment in Washington County for allocation fees and assessments for water and sewer services. Currently, a property owner may make payment at the time of imposition or in equal periodic installments coinciding with the billing for normal use charges over a five-year period. Under the bill, payments are due at the time of imposition.

The bill is effective July 1, 1996.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Washington County finances could be affected as discussed below.

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**Fiscal Analysis**

**Local Effect:** Currently, only a small percentage of the property owners in Washington County pay allocation fees and assessments in periodic installments. It is assumed that customers with existing financing arrangements with the county would continue to pay the fees periodically. New property owners, however, would be required to pay the fees and assessments at the time of imposition. Accordingly, county revenues could decrease due to the potential loss in interest earnings that are collected on installment loans to customers. This decrease could be offset by an increase in interest earnings on the fees collected at the time of imposition. Since the county would have the money up front, it could invest the money for a longer period of time. As a result, interest revenues could increase. Any such increases and decreases cannot be reliably estimated at this time, although they are assumed

to be minimal.

Any administrative cost savings resulting from a decrease in the number of loans granted to property owners are assumed to be minimal.

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**Information Source(s):** Washington County, Department of Fiscal Services

**Fiscal Note History:** First Reader - March 7, 1996

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