

**Department of Fiscal Services**  
Maryland General Assembly

**FISCAL NOTE**  
**Revised**

House Bill 742 (St. Mary's County Delegation)

Commerce and Government Matters

Referred to Budget and Taxation

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**St. Mary's County Metropolitan Commission**

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This enrolled bill authorizes the St. Mary's County Metropolitan Commission to levy a benefit assessment charge on all benefited properties in order to fund the cost of upgrading water or sewer facilities as a result of environmental or other requirements. The bill clarifies that connection charges must be uniform within designated service areas.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** None, as discussed below.

**Small Business Effect:** Potential minimal effect on small businesses as discussed below.

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**Fiscal Analysis**

**Local Effect:** In fiscal 1996 the St. Mary's County Metropolitan Commission collected approximately \$1.6 million in front foot benefit charges. Under current practice, when the commission upgrades water or sewer facilities in a particular area, it cannot levy an additional benefit assessment charge on residents outside of the affected area. The bill allows the commission to levy such charges on all benefited properties. In essence, the bill expands the potential taxing base. Commission revenues, however, would not be affected because the commission would simply shift the funding burden to more residents, instead of just those in the affected area.

**Small Business Effect:** In fiscal 1996 the St. Mary's County Metropolitan Commission collected approximately \$1.6 million in front foot benefit charges. Small businesses paid an unknown share of these charges. The bill allows the commission to levy front foot benefit charges on all properties benefited by upgrades in water or sewer facilities. If the commission upgrades these facilities and levies assessment charges, small businesses could experience higher costs depending upon the amount of the assessment charge. The increase cannot be reliably estimated, but it is assumed to be minimal.

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**Information Source(s):** St. Mary's County Metropolitan Commission, Department of Fiscal Services

**Fiscal Note History:** First Reader - February 21, 1997  
ncs Revised - Enrolled Bill - April 24, 1997

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Analysis by: Thomas Himler

Reviewed by: John Rixey

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710