Department of Legislative Services

Maryland General Assembly 2008 Session

FISCAL AND POLICY NOTE Revised

House Bill 857 (Delegate Carr, et al.)

Environmental Matters Education, Health, and Environmental Affairs

Municipal Corporations - Annexations - Small Parcels

This bill provides that proposed municipal annexations of specified parcels of land that are five acres or less are not subject to the requirement that consent be obtained from a specified percentage of residents and property owners in the area to be annexed or to referendum. A municipal corporation, however, may not annex more than 25 acres under the bill's provisions.

The bill terminates September 30, 2010.

Fiscal Summary

State Effect: None.

Local Effect: The bill is not expected to significantly impact local government finances.

Small Business Effect: Minimal.

Analysis

Current Law: The legislative body of a municipal corporation may enlarge its corporate boundaries by annexation of specified land contiguous and adjoining to the municipality's existing corporate area. Annexations may be initiated by the legislative body of the municipality or by petition, in both cases requiring the consent (or signatures in the case of a petition) of ● at least 25% of the persons that reside in the area to be annexed that are specified registered voters; and ● owners of at least 25% of the assessed value of the real property in the area to be annexed.

If the requisite consent (or signatures) is obtained, a resolution is introduced to the legislative body and a public hearing is held. After the public hearing, if the legislative body enacts the resolution, it may become effective after 45 days from the date of enactment unless the resolution is petitioned for referendum by the residents of the area to be annexed, the residents of the municipality, or the county governing body. In a referendum election, the proposed annexation is voted on by eligible voters of the area proposed to be annexed, the municipality, or both, depending on who petitioned for the referendum.

When there are fewer than 20 persons living in any area proposed to be annexed that are eligible to sign a petition or participate in a referendum election, any person (including an association, joint owners of property, a firm, or corporation) has a right equal to that of a natural person to sign a petition or participate in a referendum election.

Specified annexation plans must be adopted in addition to, but separate from, the annexation resolution. The plans generally contain information relating to the public facilities needed for the proposed use and the extension of municipal services to the area to be annexed. For annexations that begin on or after October 1, 2009, the plan generally must be consistent with the municipal growth element of the municipality's comprehensive plan.

Background: There are 156 municipalities in Maryland. Based on 2006 population estimates, approximately 15% of Maryland's population resides within municipalities (excluding Baltimore City). Municipalities in Maryland are relatively small with 60% having fewer than 2,500 residents and only 5% having more than 25,000 residents. On the Eastern Shore and in Western Maryland, 9 counties have over 30% of their residents living in municipalities. **Exhibit 1** shows the number of municipal residents in each county.

A December 2005 Maryland Department of Planning report indicated that from 1997 through 2005, the acreage of municipalities in Maryland had grown by an estimated 11%, or 27,453 acres, as a result of annexation, with the greatest percentage increases occurring in Western Maryland and on the Eastern Shore.

State law relating to municipal annexation was most recently amended by Chapter 381 of 2006 which, among other things, required municipalities that exercise zoning authority to include a municipal growth element in their comprehensive plans and required, for annexations that begin on or after October 1, 2009, the development of a municipal annexation plan that is consistent with the municipal growth element. The municipal growth element is required to include consideration of, among other things, anticipated

future municipal growth areas outside the corporate limits of the municipality and public services and infrastructure needed to accommodate expected growth.

Exhibit 1
Residents Residing in Municipalities
July 2006

| County | County Population | Municipal Population | % of County Population |
|-----------------|----------------------|-------------------------|------------------------|
| Allegany | 72,831 | 32,740 | 45.0% |
| Anne Arundel | 509,300 | 36,518 | 7.2% |
| Baltimore City | 631,366 | 0 | 0.0% |
| Baltimore | 787,384 | 0 | 0.0% |
| Calvert | 88,804 | 5,365 | 6.0% |
| Caroline | 32,617 | 10,946 | 33.6% |
| Carroll | 170,260 | 43,580 | 25.6% |
| Cecil | 99,506 | 26,331 | 26.5% |
| Charles | 140,416 | 12,411 | 8.8% |
| Dorchester | 31,631 | 14,805 | 46.8% |
| Frederick | 222,938 | 88,764 | 39.8% |
| Garrett | 29,859 | 6,578 | 22.0% |
| Harford | 241,402 | 36,667 | 15.2% |
| Howard | 272,452 | 0 | 0.0% |
| Kent | 19,983 | 7,563 | 37.8% |
| Montgomery | 932,131 | 155,075 | 16.6% |
| Prince George's | 841,315 | 224,124 | 26.6% |
| Queen Anne's | 46,241 | 4,900 | 10.6% |
| St. Mary's | 98,854 | 2,171 | 2.2% |
| Somerset | 25,774 | 5,637 | 21.9% |
| Talbot | 36,062 | 17,050 | 47.3% |
| Washington | 143,748 | 51,968 | 36.2% |
| Wicomico | 91,987 | 38,039 | 41.4% |
| Worcester | 48,866 | 17,009 | 34.8% |
| Statewide | 5,615,727 | 838,241 | 14.9% |

Source: Maryland Department of Planning

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Planning, City of Havre de Grace, Somerset County, Charles County, Maryland Municipal League, City of Frederick, Maryland Association of Counties, Frederick County, Department of Legislative Services

Fiscal Note History: First Reader - March 3, 2008

mll/lgc Revised - House Third Reader - March 28, 2008

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