

Department of Legislative Services  
Maryland General Assembly  
2012 Session

FISCAL AND POLICY NOTE  
Revised

Senate Bill 345

(Senator Glassman)

Education, Health, and Environmental Affairs

Environmental Matters

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**Harford County - Water and Sewer Authorities - Number of Directors**

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This bill specifies that in Harford County the water and sewer authority may have the greater of either seven directors or the number of directors that is equivalent to the number of member political subdivisions. The bill requires the articles of incorporation of the water and sewer authority to provide for the apportioning of the directors between or among the member subdivisions if the number of political subdivisions is less than seven.

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**Fiscal Summary**

**State Effect:** The bill does not materially affect State operations or finances.

**Local Effect:** Harford County water and sewer authority expenditures may increase to the extent that the water and sewer authority increases the number of directors above what would occur in the absence of the bill, and provides compensation to, or reimbursement of costs incurred by, any additional directors.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** The governing bodies of one or more political subdivisions may create a water or sewer authority. An authority is an instrumentality that exercises public and essential government functions; provides for the public health and welfare; and may acquire, hold, construct, extend, repair, improve, operate, or lease as a lessor or lessee one or more projects that are wholly or partly within one or more of the member political

subdivisions. The subtitle governing water and sewer authorities does not apply to Montgomery or Prince George's counties.

For a water or sewer authority that has two or more member political subdivisions the number of directors of the authority is the greater of five or the number of member political subdivisions. The authority's articles of incorporation must provide for the appointment of directors, staggering of their terms, and the apportioning of the directors between the member political subdivisions where the number of member political subdivisions is less than five. A political subdivision is defined to include a county, municipal corporation, sanitary district, or other political subdivision of the State.

A citizen director is entitled to the compensation set by the governing body of the single political subdivision that incorporated or continues the authority or the governing bodies of the member political subdivisions. A director who is also a member of the governing body of a political subdivision may not receive compensation for service as a director.

**Background:** Harford County advises that it is considering the creation of a water and sewer authority and that a seven-member board of directors would more appropriately represent the various interests of the county.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Harford County, Maryland Municipal League, State Department of Assessments and Taxation, Department of Natural Resources, Maryland Department of the Environment, Department of Legislative Services

**Fiscal Note History:** First Reader - February 15, 2012  
mm/lgc Revised - Senate Third Reader - March 26, 2012

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