

**Department of Legislative Services**

Maryland General Assembly

2012 Session

**FISCAL AND POLICY NOTE**

Senate Bill 599

(Senator Young, *et al.*)

Education, Health, and Environmental Affairs

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**Political Subdivisions - Legal Notice Requirements - Posting on Web Sites**

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This bill authorizes a county or municipality to satisfy a statutory requirement to publish specified legal notices in a newspaper of general circulation by posting the notices on its website.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Potential indeterminate effect on local government expenditures. Local expenditures may decrease to the extent legal notices are posted on county and municipal websites; however, expenditures may increase depending on participation in the required subscription service. Local revenues are not affected.

**Small Business Effect:** None.

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**Analysis**

**Bill Summary:** A county or municipality may use the Internet posting option authorized by the bill for any action, including (1) an annexation; (2) a charter amendment; (3) the repeal of a municipal charter; (4) a constant yield tax rate hearing; (5) the creation or an amendment of a comprehensive plan; and (6) the creation or an amendment of a zoning regulation; or (7) the designation of a historic site, structure, or district.

If a county or municipality chooses to post notices on the Internet, the county or municipality must (1) publish a notice in a newspaper of general circulation at least

one month before the first Internet posting to inform the public of its intent to post legal notices on its website and specify which types of legal notices will be posted; and (2) annually publish a notice in a newspaper of general circulation to inform the public of the types of legal notices that are available on the website, the address of the county's or municipality's website where the legal notices are posted, and information for subscribing to a subscription service. A county or municipality that publishes legal notices on its website must offer a free mail subscription service to provide paper copies of the legal notices to residents and a newspaper of general circulation that regularly covers the news and events of the county or municipality.

A county or municipality that publishes legal notices on its website must maintain paper copies of the notices under a records retention and document disposal schedule and make copies available to the public in accordance with the Maryland Public Information Act.

**Current Law:** Generally, counties and municipalities are required to post a legal notice in a newspaper of general circulation in the jurisdiction to notify the public of a public hearing on a variety of issues, including (1) an annexation; (2) a charter amendment; (3) the repeal of a municipal charter; (4) a constant yield tax rate hearing; (5) the creation or an amendment of a comprehensive plan; (6) the creation or an amendment of a zoning regulation; and (7) tax sale auctions.

**Local Fiscal Effect:** Local government expenditures may decrease to the extent that posting legal notices on a website is more cost effective than newspaper advertising of legal notices. The amount of any decrease depends on the number of legal notices posted in the newspaper and the cost of each. Expenditures may also increase depending on participation in the subscription service required by the bill.

**Exhibit 1** shows estimated publication costs for fiscal 2010 as reported by a survey of counties conducted by the Maryland Association of Counties. Reporting counties spent approximately \$1.9 million on legal publication costs. The savings resulting from the bill will depend on what notices a local government may or may not choose to publish on their websites. Frederick County reports that it expects a net positive effect on county expenditures resulting from the bill.

However several counties report that the requirement to provide a subscription service may mitigate any savings garnered by posting notices on the Internet. Baltimore and Montgomery counties indicate that expenditures may actually increase due to the mandatory subscription service. Charles County reports that expenditures may increase by over \$500,000 depending on the number of residents that choose to participate in the subscription service.

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**Exhibit 1**  
**County Publication Costs for Legal Notices**  
**Fiscal 2010**

<b>County</b>	<b>Publication Expenses</b>
Allegany	\$10,437
Anne Arundel	428,895
Baltimore City	570,525
Baltimore	n/a
Calvert	n/a
Caroline	n/a
Carroll	41,000
Cecil	n/a
Charles	60,667
Dorchester	21,916
Frederick	90,316
Garrett	20,747
Harford	67,093
Howard	75,534
Kent	n/a
Montgomery	213,894
Prince George's	51,684
Queen Anne's	n/a
St. Mary's	n/a
Somerset	n/a
Talbot	79,134
Washington	26,784
Wicomico	107,488
Worcester	22,588
<b>Total</b>	<b>\$1,888,702</b>

Source: Maryland Association of Counties

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**Exhibit 2** shows cumulative publication costs (fiscal 2008 through 2010) for 11 municipalities as reported by the Maryland Municipal League. Reporting jurisdictions spent approximately \$243,700 on legal publication costs. The savings resulting from the bill will depend on what notices a municipality may or may not choose to publish on their websites.

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**Exhibit 2**  
**Municipal Legal Publication Costs**  
**Fiscal 2008-2010**

<u>Municipality</u>	<u>Publication Expenses</u>
Annapolis	\$40,000
Berwyn Heights	1,783
Charlestown	7,665
Easton	40,871
Greenbelt	72,000
Indian Head	10,500
Kensington	4,000
Laurel	5,613
Poolesville	9,792
Rockville	41,000
Taneytown	10,470
<b>Total</b>	<b>\$243,694</b>

Source: Maryland Municipal League

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**Additional Information**

**Prior Introductions:** SB 545 of 2011 received an unfavorable report from the Senate Education, Health, and Environmental Affairs Committee. HB 555 of 2010 received an unfavorable report by the House Environmental Matters Committee.

**Cross File:** HB 1355 (Delegate Niemann) - Rules and Executive Nominations.

**Information Source(s):** Anne Arundel, Baltimore, Charles, Frederick, and Somerset counties; Town of Berlin; Town of Bladensburg; City of College Park; City of Frostburg; City of Rockville; State Department of Assessments and Taxation; Maryland Association of Counties; Maryland Municipal League; Department of Legislative Services

**Fiscal Note History:** First Reader - March 2, 2012  
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Analysis by: Michael Sanelli

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510