

HOUSE BILL 1436

L6, L3, L1

4lr1543

By: **Delegates S. Johnson and A. Johnson**

Introduced and read first time: February 9, 2024

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Municipal Incorporation – County Commissioners or County Council –**
3 **Required Approval of Referendum Request**

4 FOR the purpose of requiring a certain organizing committee to make certain
5 determinations and provide a certain report to the county commissioners or county
6 council of a certain county regarding a proposed municipal incorporation; requiring
7 the county to post a certain report on the county’s website within a certain time
8 frame; requiring the county commissioners or county council to approve a certain
9 referendum request in a certain manner if a valid petition to incorporate an area as
10 a municipality is presented by a certain percentage of the registered voters who are
11 residents of the area proposed to be incorporated; requiring the county
12 commissioners or county council to specify in a certain resolution that a certain vote
13 shall be held in the next general election under certain circumstances; and generally
14 relating to the incorporation of municipalities.

15 BY repealing and reenacting, without amendments,

16 Article – Local Government
17 Section 4–201 through 4–204
18 Annotated Code of Maryland
19 (2013 Volume and 2023 Supplement)

20 BY repealing and reenacting, with amendments,

21 Article – Local Government
22 Section 4–205 through 4–207
23 Annotated Code of Maryland
24 (2013 Volume and 2023 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
26 That the Laws of Maryland read as follows:

27 **Article – Local Government**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 4-201.

2 (a) In this subtitle the following words have the meanings indicated.

3 (b) "County liaison" means a county official, or the designee of the county official,
4 who coordinates communication between the organizing committee and the county.

5 (c) "Organizing committee" means the group of individuals from the organizing
6 community that works with the county commissioners or county council on the proposed
7 municipal incorporation after a petition for incorporation is verified.

8 (d) "Organizing community" means individuals residing in an unincorporated
9 area who are interested in forming a municipality.

10 4-202.

11 This subtitle governs municipal incorporation.

12 4-203.

13 An area proposed to be incorporated shall contain at least 300 residents before the
14 organizing community may proceed under this subtitle.

15 4-204.

16 (a) A proposal to incorporate an area as a municipality is initiated when a valid
17 petition is presented to the county commissioners or county council of a county by:

18 (1) at least 25% of the registered voters who are residents of the area
19 proposed to be incorporated; or

20 (2) at least 20% of the registered voters who are residents of the area
21 proposed to be incorporated, together with the owners of at least 25% of the assessed
22 valuation of the real property of the area proposed to be incorporated.

23 (b) The Office of the Attorney General shall:

24 (1) create a standard petition form for use by an organizing community;
25 and

26 (2) provide the board of elections of each county with the form for
27 distribution to an organizing community.

28 (c) A petition presented under subsection (a) of this section shall:

29 (1) express the interest of the subscribing individuals in the incorporation

1 of the area;

2 (2) contain a detailed description of the boundaries of the area proposed to
3 be incorporated, including a survey of courses and distances or general landmarks and
4 place names;

5 (3) state the name of the new municipality, which may not be the same as
6 a name used by a municipality or county in the State; and

7 (4) state the names of the individuals who will initially represent the
8 organizing community on the organizing committee.

9 (d) The organizing community shall obtain the minimum number of valid
10 signatures required under subsection (a) of this section within 18 months after the
11 organizing community receives the standard petition form from the county board of
12 elections.

13 (e) Each person signing the petition shall indicate on the petition:

14 (1) the person's name and residence address; and

15 (2) if the petition is intended to be presented under subsection (a)(2) of this
16 section and the person signing the petition owns real property in the area proposed to be
17 incorporated, the location and assessed valuation of the property.

18 (f) Within 60 days after receiving a petition, the county commissioners or county
19 council shall:

20 (1) verify that each person who signed the petition:

21 (i) resides in the area proposed to be incorporated;

22 (ii) is registered to vote in the elections of that county; and

23 (iii) if applicable, owns real property within the area proposed to be
24 incorporated;

25 (2) verify that the petition meets the requirements of this section; and

26 (3) appoint a county liaison if the petition meets the requirements of this
27 section.

28 (g) A petition, when received, becomes the property of the county commissioners
29 or county council and may not be used to initiate another incorporation.

30 (h) A proposal to incorporate a municipality and to adopt a municipal charter may
31 not be rescinded after the formal submission of the proposal in a manner other than that

1 of a formal charter repeal as provided in §§ 4–313 and 4–314 of this title.
2 4–205.

3 (a) (1) Within 90 days after the county commissioners or county council has
4 verified that a petition presented under § 4–204 of this subtitle is valid, the organizing
5 committee shall:

6 (i) actively seek information and input from the county;
7 (ii) hold a public meeting to collect testimony on the proposed
8 incorporation; [and]

9 (III) DETERMINE:

10 1. THE LIKELY FISCAL EFFECT OF THE PROPOSED
11 INCORPORATION ON RESIDENTS OF THE PROPOSED MUNICIPALITY, RESIDENTS IN
12 THE VICINITY OF THE PROPOSED MUNICIPALITY, AND THE COUNTY;

13 2. THE SERVICES THAT THE PROPOSED MUNICIPALITY
14 IS EXPECTED TO PROVIDE; AND

15 3. ANY ADVERSE ECONOMIC EFFECTS ON THE COUNTY
16 AS A RESULT OF THE PROPOSED INCORPORATION; AND

17 [(iii)] (IV) provide the county commissioners or county council with a
18 report on issues related to the proposed incorporation.

19 (2) THE COUNTY SHALL POST THE REPORT ON THE COUNTY'S
20 WEBSITE AS SOON THE COUNTY COMMISSIONERS OR COUNTY COUNCIL RECEIVES
21 THE REPORT.

22 [(2)] (3) During the 90–day period, the county shall cooperate fully with
23 the organizing committee.

24 (b) The organizing committee shall:

25 (1) notify the county liaison of all meetings and deliberations of the
26 organizing committee; and

27 (2) give the county liaison full opportunity to participate in all meetings
28 and deliberations of the organizing committee.

29 (c) Within 45 days after receiving the report required under subsection
30 [(a)(1)(iii)] (A)(1)(IV) of this section, the county commissioners or county council or its

1 designee may review the report and provide comments to the organizing committee on
2 issues relating to the proposed incorporation.

3 4-206.

4 (a) The organizing committee shall present to the county commissioners or county
5 council a proposed municipal charter:

6 (1) within 45 days after receiving the comments submitted to the
7 organizing committee under § 4-205(c) of this subtitle; or

8 (2) if the county commissioners or county council has not submitted
9 comments, within 90 days after the report is submitted by the organizing committee under
10 [§ 4-205(a)(1)(iii)] **§ 4-205(A)(1)(IV)** of this subtitle.

11 (b) The organizing committee shall submit statements with the proposed
12 municipal charter describing:

13 (1) the likely fiscal effect of the proposed incorporation on residents of the
14 proposed municipality, residents in the vicinity of the proposed municipality, and the
15 county;

16 (2) the services that the proposed municipality is expected to provide; and

17 (3) the impact that the proposed incorporation is expected to have on
18 property tax rates.

19 4-207.

20 **(A) IF THE COUNTY COMMISSIONERS OR COUNTY COUNCIL RECEIVES A**
21 **REFERENDUM REQUEST PRESENTED BY AT LEAST 40% OF THE REGISTERED VOTERS**
22 **WHO ARE RESIDENTS OF THE AREA PROPOSED TO BE INCORPORATED, THEN THE**
23 **COUNTY COMMISSIONERS OR COUNTY COUNCIL SHALL:**

24 **(1) APPROVE THE REFERENDUM REQUEST;**

25 **(2) SPECIFY, BY RESOLUTION, THAT A VOTE ON THE PROPOSED**
26 **INCORPORATION BY THE VOTERS OF THE AREA TO BE INCORPORATED SHALL BE**
27 **HELD IN THE NEXT GENERAL ELECTION; AND**

28 **(3) INCLUDE IN THE RESOLUTION THE EXACT TEXT OF THE**
29 **PROPOSED MUNICIPAL CHARTER AS SUBMITTED BY THE ORGANIZING COMMITTEE.**

30 **[(a)] (B) (1) If the county commissioners or county council approves [the] A**
31 **referendum request PRESENTED BY LESS THAN 40% OF THE REGISTERED VOTERS**
32 **WHO ARE RESIDENTS OF THE AREA PROPOSED TO BE INCORPORATED, THEN,**

1 between 40 and 60 days after it receives the proposed municipal charter, the county
2 commissioners or county council shall specify, by resolution, the day and hours for a vote
3 on the proposed incorporation by the voters of the area to be incorporated.

4 (2) The resolution shall include the exact text of the proposed municipal
5 charter as submitted by the organizing committee.

6 **[(b)] (C)** (1) If the county commissioners or county council rejects the
7 referendum request, the county commissioners or county council shall:

8 (i) provide in writing and make available to the public within a
9 reasonable time the reasons for the rejection; and

10 (ii) establish reasonable procedures by which the county
11 commissioners or county council shall reconsider a referendum request, including an
12 opportunity for a public hearing with sufficient advance public notice.

13 (2) After the hearing and reconsideration process is completed, the county
14 commissioners or county council, by resolution, shall affirm the rejection or approve the
15 referendum request.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 October 1, 2024.