

## Chapter 168

## (House Bill 1467)

AN ACT concerning

**Local Finance – Special Taxing Districts – Anne Arundel County Erosion  
Prevention Projects and Erosion Control Projects**

FOR the purpose of requiring interest earnings on money deposited for a certain taxing and assessment district to be credited to that district; specifying that a certain provision of law governing the petition process for the construction of an erosion prevention project or erosion control project in a certain district in Anne Arundel County does not apply to certain planning, permitting, or cost estimate activities; providing that the entity administering a shore erosion control district may, subject to certain requirements, use tax funds for the maintenance, repair, or reconstruction of an existing shore erosion control project; and generally relating to special taxing districts and erosion prevention projects and erosion control projects.

BY repealing and reenacting, without amendments,

Article – Local Government

Section 21–201 through 21–204 ~~and 21–207~~

Annotated Code of Maryland

(2013 Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,

Article – Local Government

Section 21–205 ~~and~~, 21–206, and 21–207

Annotated Code of Maryland

(2013 Volume and 2024 Supplement)

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

**Article – Local Government**

21–201.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “District” means a taxing and assessment district.
- (c) “District council” means the governing body of a county acting as the district council for a district created under this subtitle.
- (d) “Project” means an erosion prevention project or erosion control project.

21-202.

This subtitle supplements the provisions of the Natural Resources Article relating to shore erosion control projects.

21-203.

The purpose of projects constructed under this subtitle is to prevent erosion of land by any body of water in the State.

21-204.

(a) Each recorded subdivision that abuts a body of water in the State is a district.

(b) Each district established under this section shall be named for the subdivision from which the district is created.

21-205.

(a) The governing body of a county is the district council for each district in the county.

(b) A district council shall:

(1) keep a separate record of its proceedings for each district; and

(2) deposit all money received for each district to the credit of that district.

(c) **(1)** The district council shall:

~~(H)~~ require the depository of money under subsection (b)(2) of this section to give the same security for the repayment of money deposited; and

~~(H)~~ pay the same interest on the money as is required for the deposit of county funds.

**(2) ANY INTEREST EARNINGS ON MONEY DEPOSITED FOR A DISTRICT SHALL BE CREDITED TO THAT DISTRICT.**

21-206.

**(A) (1) THIS SECTION DOES NOT APPLY TO:**

(I) THE DEVELOPMENT AND COMPLETION OF PLANS AND SPECIFICATIONS FOR THE CONSTRUCTION OF A PROJECT IN A DISTRICT IN ANNE ARUNDEL COUNTY;

(II) THE PERMITTING ACTIVITIES ASSOCIATED WITH THE PROJECT IN ANNE ARUNDEL COUNTY; ~~OR~~

(III) THE PREPARATION OF A COST ESTIMATE FOR THE PROJECT IN ANNE ARUNDEL COUNTY; OR

(IV) THE CONSTRUCTION OF A PROJECT IN A DISTRICT IN ANNE ARUNDEL COUNTY.

(2) THIS SECTION MAY NOT BE CONSTRUED AS LIMITING OR RESTRICTING A DISTRICT FROM ACCESSING ANY MONEY KEPT FOR THE BENEFIT OF THE DISTRICT TO PAY FOR AN ACTIVITY IDENTIFIED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(B) The district council may construct a project in a district if requested by a petition signed by at least 75% of the real property owners in the district.

(C) (1) THE ENTITY ADMINISTERING A SHORE EROSION CONTROL DISTRICT MAY USE TAX FUNDS FOR THE MAINTENANCE, REPAIR, OR RESTORATION OF AN EXISTING PROJECT WITHOUT A PETITION.

(2) THE ENTITY ADMINISTERING A SHORE EROSION CONTROL DISTRICT SHALL CONDUCT A PUBLIC HEARING BEFORE USING TAX FUNDS FOR THE MAINTENANCE, REPAIR, OR RESTORATION OF AN EXISTING PROJECT.

(3) THIS SUBSECTION APPLIES TO ANY EXISTING SHORELINE EROSION CONTROL PROJECT WITHIN THE DISTRICT, REGARDLESS OF THE INITIAL SOURCE OF FUNDING.

21-207.

(A) THIS SECTION DOES NOT APPLY TO ANNE ARUNDEL COUNTY.

~~(B)~~ (1) When the plans and specifications for the construction of a project in a district are complete, the district council shall notify each owner of real property in the district:

(i) that the plans and specifications for the construction of the project are complete and can be inspected at the office of the governing body of the county;

- (ii) of the probable cost of the project; and
- (iii) of the date and place of a hearing on the petition.

(2) The notice shall be:

- (i) mailed to the last known address of each property owner in the district; and
- (ii) published once each week for 2 successive weeks in a newspaper of general circulation in the county.

~~(b)~~ **(C)** After holding a hearing, the district council shall decide whether to proceed with the project.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act ~~shall take effect June 1, 2025~~ is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

**Approved by the Governor, April 22, 2025.**