AN ACT to set the rate of the Public School Facilities Surcharge for certain addition construction; and generally relating to the public school facilities surcharge.

NOTE: [text in brackets] indicates deletions from existing law; Text in small capitals indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment.

Tabled 10-3-2022 Michelle Harrod
Section 1. Be it enacted by the County Council of Howard County, Maryland, that the Howard County Code is hereby amended as follows:

By amending:

Title 20 – Taxes, Charges, and Fees

Subtitle 1. – Real Property Tax; Administration, Credits, and Enforcement.

Section 20.142. – [Surcharge enacted.]

HOWARD COUNTY CODE

Title 20 – Taxes, Charges, and Fees

Subtitle 1 – Real Property Tax; Administration, Credits, and Enforcement

Sec. 20.143. Surcharge imposed.

(a) Chapter 744 of the Acts of the General Assembly of 2019, set forth in section 20.142 of the Howard County Code, requires that the County Council impose a school facilities surcharge on residential new construction for which a building permit is issued on or after July 1, 2004, with the revenue from the surcharge to be used to pay for additional or expanded public school facilities such as renovations to existing school buildings or other systemic changes, debt service on bonds issued for additional or expanded public school facilities, or new school construction.

(b) (1) In accordance with Chapter 744 of the Acts of the General Assembly of 2019, there is a public school facilities surcharge imposed on residential new construction for which a building permit is issued on or after July 1, 2004, other than residential new construction that is both:

(i) Classified as senior housing; and

(ii) An affordable housing unit, as defined in section 28.116 of the County Code.

(2) Except as provided in paragraphs (3) and (4) of this subsection, the surcharge is:

(i) $4.75 per square foot of occupiable area in residential new construction through December 31, 2020;
(ii) $6.25 per square foot of occupiable area in residential new construction through December 31, 2021; and

(iii) $7.50 per square foot of occupiable area in residential new construction thereafter.

(3) (i) The surcharge is $1.32 per square foot of occupiable area in residential new construction that is:

1. classified as senior housing under 42 U.S.C. § 3607(b); OR

2. ADDITION CONSTRUCTION, MEANING CONSTRUCTION OF AN ADDITION TO A BUILDING WHERE THE WORK REQUIRES A HOWARD COUNTY BUILDING PERMIT AND WHERE THE ADDITION EITHER:

A. INCREASES THE NUMBER OF GROSS SQUARE FEET OF OCCUPIABLE NONRESIDENTIAL STRUCTURE ON THE PROPERTY; OR

B. INCREASES THE NUMBER OF GROSS SQUARE FEET OF OCCUPIABLE RESIDENTIAL STRUCTURE ON THE PROPERTY BY 2,000 SQUARE FEET OR LESS AND ADDITION CONSTRUCTION OF MORE THAN 2,000 SQUARE FEET SHALL BE ASSESSED A RATE UNDER SUBSECTION (B)(2) OF THIS SECTION FOR THE ENTIRE ADDITION SQUARE FEET OF THE ADDITION THAT IS MORE THAN 2,000 SQUARE FEET.

(ii) 1. In this paragraph, "Downtown Columbia Development District" has the meaning provided for the term "Development District" in Council Resolution 105-2016.

2. Outside the Downtown Columbia Development District, surcharge is the greater of $1.32 or one-third the rate set under paragraph (2) of this subsection for a moderate income housing unit that is built onsite beyond the number of moderate income housing units required for the development by title 13, subtitle 4 of this Code.

3. In the Downtown Columbia Development District, the surcharge on residential new construction that is an affordable unit is a rate of:

A. $1.32 per square foot of occupiable area; plus
B. One-half of the difference between $1.32 and the rate that would be applicable to the residential new construction if it was located outside the Downtown Columbia Development District.

(iii) The surcharge is one-third of the rate set under paragraph (2) of this subsection for non-senior residential new construction projects that have received funding from the State of Maryland or from the County as an affordable housing project after December 31, 2020.

(4) The rate established in paragraph (2) of this subsection shall be adjusted for inflation in accordance with the Consumer Price Index for All Urban Consumers published by the United States Department of Labor, for the fiscal year preceding the year for which the amount is being calculated. The adjustment may not reduce the rate below $1.32.

(c) The amount and terms of the surcharge, and the use of the revenue collected under the surcharge, shall be as required by section 20.142 of the Howard County Code, as enacted by Chapter 744 of the Acts of the General Assembly of 2019.

Section 2. Be it further enacted by the County Council of Howard County, Maryland, that this Act shall be constructed to apply retroactively and shall be applied to and affect any residential new construction for which the applicant filed the application for the building permit on or after January 1, 2022.

Section 3-2. Be it further enacted by the County Council of Howard County, Maryland, that this Act shall become effective 61 days after its enactment.
Amendment 1 to Council Bill No. 58-2022

BY: Liz Walsh

Legislative Day 14
Date: October 3, 2022

Amendment No. 1

(This amendment clarifies that accessory apartments and two-family dwellings are excluded from the list of construction that is assessed a Public School Facilities Surcharge rate of $1.32 per square foot of occupiable area. This amendment also clarifies that the construction of two or more bedrooms in an existing structure is excluded from the list of construction that is assessed a Public School Facilities Surcharge rate of $1.32 per square foot of occupiable area.)

On page 2, after line 14, insert:

"C. ADDITION CONSTRUCTION DOES NOT INCLUDE THE CONSTRUCTION OF ACCESSORY APARTMENTS AND TWO-FAMILY DWELLINGS.

D. ADDITION CONSTRUCTION DOES NOT INCLUDE THE CONSTRUCTION OF TWO OR MORE BEDROOMS, AS DEFINED IN SECTION 3.801(B) OF THE COUNTY CODE, IN AN EXISTING STRUCTURE."

I certify this is a true copy of
Am. to CB 58-2022
approved on 10-31-22
Rescinded

Nicole Flanders
Council Administrator
Amendment 1 to Amendment No. 1 to Council Bill No. 58-2022

BY: David Yungmann

Legislative Day 14
Date: October 3, 2022

Amendment No. 1

(This amendment clarifies that addition construction does not include the construction of two or more bedrooms in an existing structure.)

On page 1, in the third line of the parenthetical, after the period, insert “This amendment also clarifies that the construction of two or more bedrooms in an existing structure is excluded from the list of construction that is assessed a Public School Facilities Surcharge rate of $1.32 per square foot of occupiable area.”.

On page 1, in line 3, after “DWELLINGS.”, insert:

“D. ADDITION CONSTRUCTION DOES NOT INCLUDE THE CONSTRUCTION OF TWO OR MORE BEDROOMS, AS DEFINED IN SECTION 3.801(B) OF THE COUNTY CODE, IN AN EXISTING STRUCTURE.”.

I certify this is a true copy of

Passed on October 31, 2022

Private Bill Administrator
Amendment 2 to Council Bill No. 58-2022

BY: The Chairperson at the request of the County Executive

Legislative Day 14
Date: October 3, 2022

Amendment No. 2

(This amendment adds a square footage cap to the definition of addition construction and provides that an addition that is more than 2,000 square feet shall be assessed a rate of $1.32 for the first 2,000 square feet and a rate of $7.50 for the square feet of the addition that is more than 2,000 square feet.)

1 On page 2, in line 14, after “PROPERTY” insert “BY 2,000 SQUARE FEET OR LESS AND
2 ADDITION CONSTRUCTION OF MORE THAN 2,000 SQUARE FEET SHALL BE ASSESSED A RATE
3 UNDER SUBSECTION (B)(2) OF THIS SECTION FOR THE ENTIRE ADDITION SQUARE FEET OF THE
4 ADDITION THAT IS MORE THAN 2,000 SQUARE FEET”.

I certify this is a true copy of

Am 2. to CB.52.2022

passed on October 31, 2022

[Signature]
Council Administrator

a2cb58-2022 enrolled
Amendment 1 to Amendment No. 2 to Council Bill No. 58-2022

BY: Christiana Rigby

Legislative Day 14
Date: October 3, 2022

Amendment No. 1

(This amendment provides that an addition that is more than 2,000 square feet shall be assessed a rate of $1.32 for the first 2,000 square feet and a rate of $7.50 for the square feet of the addition that is more than 2,000 square feet.)

On page 1, in the parenthetical, after “construction”, insert “and provides that an addition that is more than 2,000 square feet shall be assessed a rate of $1.32 for the first 2,000 square feet and a rate of $7.50 for the square feet of the addition that is more than 2,000 square feet”.

On page 1, in line 3, strike “ENTIRE ADDITION”; and substitute “SQUARE FEET OF THE ADDITION THAT IS MORE THAN 2,000 SQUARE FEET”.

I certify this is a true copy of Amendment 1 to Amendment No. 2 to Council Bill No. 58-2022

passed on October 31, 2022

Council Administrator
Amendment 2 to Amendment No. 2 to Council Bill No. 58-2022

BY: Deb Jung

Legislative Day 15
Date: October 31, 2022

Amendment No. 2

(This amendment provides that an addition that is more than 1,000 square feet shall be assessed a rate of $1.32 for the first 1,000 square feet and a rate of $7.50 for the square feet of the addition that is more than 1,000 square feet.)

On page 1, in the parenthetical, after “construction”, insert “and provides that an addition that is more than 1,000 square feet shall be assessed a rate of $1.32 for the first 1,000 square feet and a rate of $7.50 for the square feet of the addition that is more than 1,000 square feet”.

On page 1:
- in line 1, strike “2.000” and substitute “1.000”;
- in line 2, strike “2.000” and substitute “1.000”;
- in line 3, strike “ENTIRE ADDITION” and substitute “SQUARE FEET OF THE ADDITION THAT IS MORE THAN 1,000 SQUARE FEET”.

I certify this is a true copy of Am 2 to Am 2 to CB 58-2022
Passed on October 31, 2022

[Signature]
Council Administrator
Amendment _3_ to Council Bill No. 58-2022

BY: The Chairperson at the request of the County Executive

Legislative Day 14
Date: October 3, 2022

Amendment No. 3

(This amendment strikes the retroactive application of this Act.)

1 On page 3, strike lines 11 through 13, inclusive and in their entirety.

2

3 On page 3, in line 14, strike "3" and substitute "2".

I certify this is a true copy of 
Am 3 to CB 58-2022

passed on October 31, 2022

[Signature]
Council Administrator
Amendment 4 to Council Bill No. 58-2022

BY: The Chairperson at the request of the County Executive

Legislative Day 15
Date: October 31, 2022

Amendment No. 4

(This amendment clarifies language related to the reimbursement of fees already paid.)

1 On page 3, in line 13, strike “filed the application” and substitute “paid the school facilities surcharge”.

I certify this is a true copy of

Am 4 to CB58-2022

passed on October 31, 2022

Failed

Nicole A. Roddy
Council Administrator
Amendment 5 to Council Bill No. 58-2022

BY: Opel Jones, Deb Jung, Christiana Rigby, Liz Walsh, David Yungmann

Legislative Day 14
Date: October 31, 2022

Amendment No. 5

(This amendment strikes the retroactive application of this Act.)

1 On page 3, strike lines 11 through 13. On the same page, in line 14, strike “3.” and substitute “2.”.

I certify this is a true copy of

Amend to CBS8 2022

passed on October 31, 2022

Council Administrator
AN ACT to set the rate of the Public School Facilities Surcharge for certain addition construction; and generally relating to the public school facilities surcharge.
Section 1. Be it enacted by the County Council of Howard County, Maryland, that the Howard County Code is hereby amended as follows:

By amending:

Title 20 – Taxes, Charges, and Fees
Subtitle 1. – Real Property Tax; Administration, Credits, and Enforcement.

Section 20.142. – [Surcharge enacted.]

HOWARD COUNTY CODE

Title 20 – Taxes, Charges, and Fees
Subtitle 1 – Real Property Tax; Administration, Credits, and Enforcement

Sec. 20.143. Surcharge imposed.

(a) Chapter 744 of the Acts of the General Assembly of 2019, set forth in section 20.142 of the Howard County Code, requires that the County Council impose a school facilities surcharge on residential new construction for which a building permit is issued on or after July 1, 2004, with the revenue from the surcharge to be used to pay for additional or expanded public school facilities such as renovations to existing school buildings or other systemic changes, debt service on bonds issued for additional or expanded public school facilities, or new school construction.

(b) (1) In accordance with Chapter 744 of the Acts of the General Assembly of 2019, there is a public school facilities surcharge imposed on residential new construction for which a building permit is issued on or after July 1, 2004, other than residential new construction that is both:

(i) Classified as senior housing; and

(ii) An affordable housing unit, as defined in section 28.116 of the County Code.

(2) Except as provided in paragraphs (3) and (4) of this subsection, the surcharge is:

(i) $4.75 per square foot of occupiable area in residential new construction through December 31, 2020;
(ii) $6.25 per square foot of occupiable area in residential new construction through December 31, 2021; and

(iii) $7.50 per square foot of occupiable area in residential new construction thereafter.

(3) (i) The surcharge is $1.32 per square foot of occupiable area in residential new construction that is:

1. classified as senior housing under 42 U.S.C. § 3607(b); OR

2. ADDITION CONSTRUCTION, MEANING CONSTRUCTION OF AN ADDITION TO A BUILDING WHERE THE WORK REQUIRES A HOWARD COUNTY BUILDING PERMIT AND WHERE THE ADDITION EITHER:

   A. INCREASES THE NUMBER OF GROSS SQUARE FEET OF OCCUPIABLE NONRESIDENTIAL STRUCTURE ON THE PROPERTY; OR

   B. INCREASES THE NUMBER OF GROSS SQUARE FEET OF OCCUPIABLE RESIDENTIAL STRUCTURE ON THE PROPERTY.

(ii) 1. In this paragraph, "Downtown Columbia Development District" has the meaning provided for the term "Development District" in Council Resolution 105-2016.

   2. Outside the Downtown Columbia Development District, surcharge is the greater of $1.32 or one-third the rate set under paragraph (2) of this subsection for a moderate income housing unit that is built onsite beyond the number of moderate income housing units required for the development by title 13, subtitle 4 of this Code.

   3. In the Downtown Columbia Development District, the surcharge on residential new construction that is an affordable unit is a rate of:

      A. $1.32 per square foot of occupiable area; plus

      B. One-half of the difference between $1.32 and the rate that would be applicable to the residential new construction if it was located outside the Downtown Columbia Development District.

(iii) The surcharge is one-third of the rate set under paragraph (2) of this subsection for non-senior residential new construction projects that have received funding from the
State of Maryland or from the County as an affordable housing project after December 31, 2020.

(4) The rate established in paragraph (2) of this subsection shall be adjusted for inflation in accordance with the Consumer Price Index for All Urban Consumers published by the United States Department of Labor, for the fiscal year preceding the year for which the amount is being calculated. The adjustment may not reduce the rate below $1.32.

(c) The amount and terms of the surcharge, and the use of the revenue collected under the surcharge, shall be as required by section 20.142 of the Howard County Code, as enacted by Chapter 744 of the Acts of the General Assembly of 2019.

Section 2. Be it further enacted by the County Council of Howard County, Maryland, that this Act shall be constructed to apply retroactively and shall be applied to and affect any residential new construction for which the applicant filed the application for the building permit on or after January 1, 2022.

Section 3. Be it further enacted by the County Council of Howard County, Maryland, that this Act shall become effective 61 days after its enactment.
Amendment No. 1

(This amendment clarifies that accessory apartments and two-family dwellings are excluded from the list of construction that is assessed a Public School Facilities Surcharge rate of $1.32 per square foot of occupiable area.)

On page 2, after line 14, insert:

“C. ADDITION CONSTRUCTION DOES NOT INCLUDE THE CONSTRUCTION OF ACCESSORY APARTMENTS AND TWO-FAMILY DWELLINGS.”

I certify this is a true copy of ____________________________

passed on ____________________________

Rescinded

[Signature of Council Administrator]
Amendment 2 to Council Bill No. 58-2022

BY: The Chairperson at the request of the County Executive

Amendment No. 2

(This amendment adds a square footage cap to the definition of addition construction.)

1 On page 2, in line 14, after “PROPERTY” insert “BY 2,000 SQUARE FEET OR LESS AND
2 ADDITION CONSTRUCTION OF MORE THAN 2,000 SQUARE FEET SHALL BE ASSESSED A RATE
3 UNDER SUBSECTION (B)(2) OF THIS SECTION FOR THE ENTIRE ADDITION”.

I certify this is a true copy of

passed on

Council Administrator

am cb58 (definition of addition construction)
BY THE COUNCIL
This Bill, having been approved by the Executive and returned to the Council, stands enacted on Nov 9, 2022.
Michelle Harrod, Administrator to the County Council

BY THE COUNCIL
This Bill, having been passed by the yeas and nays of two-thirds of the members of the Council notwithstanding the objections of the Executive, stands enacted on ___, 2022.
Michelle Harrod, Administrator to the County Council

BY THE COUNCIL
This Bill, having received neither the approval nor the disapproval of the Executive within ten days of its presentation, stands enacted on ___, 2022.
Michelle Harrod, Administrator to the County Council

BY THE COUNCIL
This Bill, not having been considered on final reading within the time required by Charter, stands failed for want of consideration on ___, 2022.
Michelle Harrod, Administrator to the County Council

BY THE COUNCIL
This Bill, having been disapproved by the Executive and having failed on passage upon consideration by the Council stands failed on ___, 2022.
Michelle Harrod, Administrator to the County Council

BY THE COUNCIL
This Bill, the withdrawal of which received a vote of two-thirds (2/3) of the members of the Council, is withdrawn from further consideration on ___, 2022.
Michelle Harrod, Administrator to the County Council