

# PROPOSED

## COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2025, Legislative Day No. 8

Bill No. 32-25

Introduced by Ms. Rodvien

By the County Council, April 21, 2025

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Introduced and first read on April 21, 2025  
Public Hearing set for May 19, 2025  
Bill Expires on July 25, 2025

By Order: Kaley Schultze, Administrative Officer

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### A BILL ENTITLED

1 AN ORDINANCE concerning: Finance, Taxation, and Budget – Special Community  
2 Benefits Districts, Shore Erosion Control Districts, and Waterways Improvements  
3 Districts – Administrative Charge – Penalties for Non-Compliance – Maryland  
4 Homeowners Association Act and Open Meetings Act Compliance  
5

6 FOR the purpose of modifying the administrative charge for special community benefits  
7 districts, shore erosion control districts, and waterways improvements districts;  
8 providing penalties for non-compliance with certain requirements for special  
9 community benefits districts, shore erosion control districts, and waterways  
10 improvements districts; requiring the civic or community association that administers  
11 a special community benefits district to comply with certain provisions of the Maryland  
12 Open Meetings Act and certain provisions of the Maryland Homeowners Association  
13 Act; requiring each civic or community association that administers a special  
14 community benefits district to designate at least one officer to complete a training class  
15 on the Open Meetings Act; and generally relating to finance, taxation, and budget.  
16

17 BY repealing and reenacting, with amendments: § 4-7-101(e)  
18

19 BY adding: §§ 4-7-104; 4-7-201(d)  
20 Anne Arundel County Code (2005, as amended)  
21

22 SECTION 1. *Be it enacted by the County Council of Anne Arundel County, Maryland,*  
23 That Section(s) of the Anne Arundel County Code (2005, as amended) read as follows:

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EXPLANATION: CAPITALS indicate new matter added to existing law.  
[[Brackets]] indicate matter deleted from existing law.  
Captions and taglines in **bold** in this bill are catchwords and are not law.  
Asterisks \*\*\* indicate existing Code provisions in a list or chart that remain unchanged.

**ARTICLE 4. FINANCE, TAXATION, AND BUDGET**

**TITLE 7. SPECIAL COMMUNITY BENEFIT DISTRICTS, SHORE EROSION CONTROL DISTRICTS, AND WATERWAYS IMPROVEMENTS DISTRICTS**

**4-7-101. Provisions relating to all districts.**

**(e) Administrative charge.**

(1) An administrative charge of 5% of the taxes collected shall be withheld by the Controller from each district's disbursement and shall be paid over to the general fund of the County.

(2) AN ADMINISTRATIVE CHARGE SHALL BE WITHHELD BY THE CONTROLLER FROM EACH DISTRICT'S DISBURSEMENT AND SHALL BE PAID OVER TO THE GENERAL FUND OF THE COUNTY AS FOLLOWS:

(I) BEGINNING IN FISCAL YEAR 2027, 5% OF THE TAXES COLLECTED, ADJUSTED AS SET FORTH IN (3), FOR DISTRICTS THAT RECEIVE AND MANAGE DISBURSEMENTS OF DISTRICT FUNDS;

(II) FOR FISCAL YEAR 2028, 7% OF THE TAXES COLLECTED, ADJUSTED AS SET FORTH IN (3), FOR DISTRICTS THAT DO NOT RECEIVE AND MANAGE DISBURSEMENTS OF DISTRICT FUNDS; AND

(III) BEGINNING IN FISCAL YEAR 2029, 9% OF THE TAXES COLLECTED, ADJUSTED AS SET FORTH IN (3), FOR DISTRICTS THAT DO NOT RECEIVE AND MANAGE DISTRICT FUNDS.

(3) The administrative charge shall not be less than \$100 nor more than ~~[\$2,000]~~ \$10,000 for a ~~[[district's]]~~ fiscal year. IN EACH FISCAL YEAR BEGINNING IN FISCAL YEAR 2027, THE MAXIMUM ADMINISTRATIVE CHARGE SHALL INCREASE BY THE ANNUAL CPI FOR THE BALTIMORE REGION AS OF JANUARY 1 OF THE PRIOR FISCAL YEAR IF THE ANNUAL CPI IS A POSITIVE NUMBER.

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**(I) Contact information.** EACH COMMUNITY ASSOCIATION THAT ADMINISTERS A SPECIAL COMMUNITY BENEFIT DISTRICT, A SHORE EROSION CONTROL DISTRICT, OR A WATERWAY IMPROVEMENT DISTRICT SHALL MAKE AVAILABLE TO MEMBERS OF THE COMMUNITY ASSOCIATION AN EMAIL ADDRESS FOR EACH OFFICER OF THE COMMUNITY ASSOCIATION THAT CAN BE USED BY MEMBERS OF THE COMMUNITY ASSOCIATION TO CONTACT THE OFFICER OR OFFICERS ON MATTERS RELATED TO THE DISTRICT. OFFICERS OF THE COMMUNITY ASSOCIATION SHALL RESPOND TO EMAILS WITHIN 5 BUSINESS DAYS OF RECEIPT.

**4-7-104. Penalties for non-compliance.**

**(A) Penalties.** IF A CIVIC OR COMMUNITY ASSOCIATION THAT ADMINISTERS A SPECIAL COMMUNITY BENEFIT DISTRICT, SHORE EROSION CONTROL DISTRICT, OR A WATERWAYS IMPROVEMENT DISTRICT IS NOT IN COMPLIANCE WITH THE REQUIREMENTS OF THIS TITLE OR OF STATE LAW, THE COUNTY MAY DO ANY OF THE FOLLOWING:

(1) REJECT A BUDGET SUBMISSION REQUIRED UNDER § 4-7-104;

1 (2) WITHHOLD THE APPROPRIATION OF ANY FUNDS FOR THE DISTRICT OTHER  
2 THAN FUNDS REQUIRED FOR THE REPAYMENT OF A LOAN THAT THE COUNTY COUNCIL  
3 HAS AGREED BY ORDINANCE TO APPROPRIATE;

4  
5 (3) WITHHOLD THE DISBURSEMENT OF FUNDS TO THE ASSOCIATION;

6  
7 (4) PROHIBIT THE EXPENDITURE OF FUNDS BY THE ASSOCIATION; OR

8  
9 (5) REQUIRE THE COMMUNITY ASSOCIATION TO REIMBURSE ANY DISTRICT FUNDS  
10 THAT HAVE BEEN IMPROPERLY EXPENDED, INCLUDING THROUGH A TAX ASSESSMENT AS  
11 A SOURCE OF THE REIMBURSEMENT.

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13 **(B) Dissolution.**

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15 (1) EXCEPT AS PROVIDED IN (2), IF A CIVIC OR COMMUNITY ASSOCIATION THAT  
16 ADMINISTERS A SPECIAL COMMUNITY BENEFIT DISTRICT, A SHORE EROSION CONTROL  
17 DISTRICT, OR A WATERWAYS IMPROVEMENT DISTRICT DOES NOT COMPLY WITH THE  
18 REQUIREMENTS OF THIS TITLE OR OF STATE LAW WITHIN TWO YEARS OF WRITTEN NOTICE  
19 OF NON-COMPLIANCE, THE DISTRICT MAY BE DISSOLVED BY ORDINANCE OF THE COUNTY  
20 COUNCIL.

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22 (2) A DISTRICT MAY NOT BE DISSOLVED IF IT HAS OUTSTANDING CONTRACTUAL  
23 OBLIGATIONS, INCLUDING OUTSTANDING LOANS.

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25 (3) (I) AN ORDINANCE DISSOLVING AN EXISTING SPECIAL COMMUNITY BENEFIT  
26 DISTRICT, A SHORE EROSION CONTROL DISTRICT, OR A WATERWAYS IMPROVEMENT  
27 DISTRICT FOR NON-COMPLIANCE SHALL PROVIDE FOR THE EQUITABLE DIVISION OF  
28 DISTRICT ASSETS AMONG THE PERSONS WHO OWN PROPERTY IN THE DISTRICT ON THE  
29 EFFECTIVE DATE OF THE ORDINANCE DISSOLVING THE DISTRICT.

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31 (II) UNENCUMBERED AND UNEXPENDED DISTRICT FUNDS AS OF THE EFFECTIVE  
32 DATE OF THE ORDINANCE DISSOLVING THE DISTRICT SHALL BE DISTRIBUTED TO THE  
33 CURRENT PROPERTY OWNERS OF THE DISTRICT PROPORTIONATELY ON THE SAME BASIS  
34 AS THE SPECIAL TAX WAS MOST RECENTLY COLLECTED.

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36 **4-7-201. General provisions.**

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38 **(D) Maryland Homeowners Association Act and Open Meetings Act - compliance.**

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40 (1) (I) ALL MEETINGS OF THE CIVIC OR COMMUNITY ASSOCIATION THAT  
41 ADMINISTERS A SPECIAL COMMUNITY BENEFIT DISTRICT SHALL BE OPEN TO ALL OWNERS  
42 OF PROPERTY WITHIN THE DISTRICT AND SHALL COMPORT WITH §§ 3-301 THROUGH 3-307  
43 OF THE GENERAL PROVISIONS ARTICLE OF THE STATE CODE. THE MEETINGS ARE  
44 REQUIRED TO BE OPEN TO THE GENERAL PUBLIC, INCLUDING ATTORNEYS, MEMBERS OF  
45 THE PRESS, AND INVITEES OF MEMBERS, HOWEVER IT IS NOT REQUIRED THAT MEMBERS  
46 OF THE GENERAL PUBLIC BE PERMITTED TO PARTICIPATE IN THE MEETINGS. MEMBERS OF  
47 THE GENERAL PUBLIC ARE NOT REQUIRED TO GIVE ADVANCE NOTICE TO THE  
48 COMMUNITY ASSOCIATION OF THEIR INTENT TO ATTEND A MEETING.

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50 (II) THE CIVIC OR COMMUNITY ASSOCIATION THAT ADMINISTERS A SPECIAL  
51 COMMUNITY BENEFIT DISTRICT SHALL COMPLY WITH §§ 11B-111(3), 11B-112(A) AND (B),  
52 11B-112.2(F), AND 11B-113.6 OF THE REAL PROPERTY ARTICLE OF THE STATE CODE.

1           (2) (I) EACH CIVIC OR COMMUNITY ASSOCIATION THAT ADMINISTERS A SPECIAL  
2 COMMUNITY BENEFIT DISTRICT SHALL DESIGNATE AT LEAST ONE INDIVIDUAL WHO IS AN  
3 OFFICER OF THE CIVIC OR COMMUNITY ASSOCIATION TO RECEIVE TRAINING ON THE  
4 REQUIREMENTS OF THE MARYLAND OPEN MEETINGS ACT.

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6           (II) WITHIN 90 DAYS AFTER BEING DESIGNATED UNDER THIS PARAGRAPH, THE  
7 INDIVIDUAL SHALL COMPLETE THE TRAINING OFFERED BY THE MARYLAND ATTORNEY  
8 GENERAL ON THE MARYLAND OPEN MEETINGS ACT.

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10          (III) A CIVIC OR COMMUNITY ASSOCIATION THAT ADMINISTERS A SPECIAL  
11 COMMUNITY BENEFIT DISTRICT MAY NOT MEET IN A CLOSED SESSION UNLESS THE CIVIC  
12 OR COMMUNITY ASSOCIATION HAS DESIGNATED AT LEAST ONE OFFICER OF THE CIVIC OR  
13 COMMUNITY ASSOCIATION TO RECEIVE TRAINING ON THE REQUIREMENTS OF THE  
14 MARYLAND OPEN MEETINGS ACT.

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16          (IV) EACH CIVIC OR COMMUNITY ASSOCIATION THAT ADMINISTERS A SPECIAL  
17 COMMUNITY DISTRICT SHALL SUBMIT WITH THE BUDGET SUBMISSION REQUIRED BY § 4-  
18 7-103 A CERTIFICATION THAT THE TRAINING REQUIRED UNDER (I) AND (II) HAS OCCURRED  
19 THAT INCLUDES THE NAME OF THE PERSON WHO COMPLETED THE TRAINING AND THE  
20 DATE THAT THE TRAINING WAS COMPLETED.

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22          SECTION 2. *And be it further enacted*, That this Ordinance shall take effect 45 days  
23 from the date it becomes law.