

WHEREAS, Rural villages and communities are an integral part of the character of Maryland and the State is committed to continuing to sustain rural villages and communities; and

WHEREAS, In order to effectuate the State Policy adopted by the General Assembly in 1992, the State needs to build on the 1992 Act by focusing spending in those areas, including those parts of locally designated growth areas, that constitute the most efficient and effective use of the taxpayer dollars and which will serve to best preserve existing neighborhoods and Maryland's fields, farms, and open spaces; now, therefore,

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

**Article 23A – Corporations – Municipal**

8C.

(A) The mayor and city council, by whatever name known, of every municipal corporation in this State is authorized and empowered to lend or provide, upon such terms as may be agreed upon, the use of tools, vehicles, implements, materials, consultants, services, and other assistance to another political subdivision for purposes deemed to be public and of benefit to the municipal corporation and the other political subdivision.

(B) (1) IF A COUNTY PROVIDES FOR THE LEVY AND COLLECTION OF A DEVELOPMENT IMPACT FEE ON NEW RESIDENTIAL CONSTRUCTION TO FINANCE THE COSTS OF SCHOOL CONSTRUCTION, A MUNICIPAL CORPORATION SHALL ASSIST THE COUNTY IN THE COLLECTION OF THE FEE FOR NEW RESIDENTIAL CONSTRUCTION WITHIN THE MUNICIPAL CORPORATION BY:

(I) COLLECTING AND REMITTING THE FEE TO THE COUNTY; OR  
(II) REQUIRING THE FEE TO BE PAID TO THE COUNTY BEFORE ISSUING AN APPLICABLE BUILDING PERMIT FOR NEW CONSTRUCTION; OR

(III) OTHER REASONABLE MEANS PROVIDED FOR BY THE MUNICIPAL CORPORATION IN ACCORDANCE WITH THE COUNTY DEVELOPMENT IMPACT FEE LAW OR ORDINANCE.

(2) THE APPLICATION OF ANY IMPACT FEES PAID UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL HAVE A RATIONAL NEXUS TO THE PROJECT FOR WHICH THE FEES ARE ASSESSED.

(2) (3) THE PROVISIONS OF THIS SUBSECTION MAY NOT BE CONSTRUED TO AFFECT ANY EXISTING AGREEMENTS BETWEEN A COUNTY AND MUNICIPAL CORPORATION CONCERNING THE LEVYING AND COLLECTION OF DEVELOPMENT IMPACT FEES.