

Bill No. 5-09
Concerning: Permit Fees - New
Construction - Deferral
Revised: 2-9-09 Draft No. 2
Introduced: February 10, 2009
Expires: August 10, 2010
Enacted: _____
Executive: _____
Effective: _____
Sunset: See § 2
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

AN ACT to:

- (1) authorize the deferral of certain permit, inspection, license, and engineering fee payments for a certain period;
- (2) extend the time limit for abandonment of a building permit;
- (3) extend the time for recording an initial building inspection; and
- (4) generally amend the laws regarding permits and related fees.

By amending

Montgomery County Code
Chapter 8, Buildings
Sections 8-24 and 8-25

By adding

Chapter 2, Administration
Section 2-42C

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

27 [12] 18 months after the permit is issued and a second
 28 approved inspection is not recorded in the Department's
 29 inspection history file within [14] 20 months after the
 30 permit is issued; or

31 * * *

32 **2-42C. Permit fees -new construction - deferrals.**

33 (a) Definitions. In this section the following words have the meanings
 34 indicated:

35 (1) Fee or Fees mean any permit fee, license fee, inspection fee, or
 36 engineering fee required to be paid before a permit or license is
 37 issued or an inspection is made under Chapter 8, 17, 19, 27A, or
 38 49.

39 (2) New Construction means:

40 (A) any new building; and

41 (B) any addition or renovation of an existing building that
 42 replaces 50% or more of the existing first floor exterior
 43 walls, measured around the perimeter of the building.

44 (3) Owner means a person who has legal record title to the real
 45 property on which the new construction is proposed.

46 (b) Authorization to Defer. An owner or other applicant may defer
 47 payment of a fee associated with new construction, if the fee exceeds
 48 \$400 and all other requirements of this Section are met, for 12 months
 49 after the fee is otherwise due.

50 (c) Conditions of Deferral.

51 (1) An owner must apply for deferral of a fee to the Director on a
 52 form supplied by the Department.

53 (2) As part of the application, the owner must execute a written
54 agreement with the Director. The agreement must provide that
55 the owner consents to all terms and conditions of the deferral,
56 including the collection of deferred fees through the tax sale
57 process and recordation of the agreement or notice of the
58 agreement in the County land records.

59 (3) The Director must record the agreement or notice of the
60 agreement in the County land records. The notice must include a
61 conspicuous statement that indicates it is being recorded by or on
62 behalf of the County.

63 (d) Events accelerating payment. All deferred fees and accumulated
64 interest and penalty, if any, become immediately payable when:

65 (1) the ownership of the property subject to a lien for repayment of
66 the deferred fees is transferred; or

67 (2) the property becomes subject to tax sale.

68 (e) Payment, Early Payment; Termination of Lien.

69 (1) An Owner must pay a deferred fee on or before the end of the
70 deferral period.

71 (2) After the owner pays the deferred fees and any accrued interest
72 and penalty, the Director must record a notice of termination of
73 the fee deferral lien in the County land records. The notice must
74 include a conspicuous statement that indicates it is being recorded
75 by or on behalf of the County.

76 (f) Delinquent Fees.

77 (1) Interest and Penalty. Any fee paid after the deferral period
78 expires accrue interest and penalty on the amount of the deferred

79 fees until paid at the rate which applies to delinquent real
80 property taxes.

81 (g) Lien on Real Property and Collection. All fees deferred and any
82 accrued interest and penalty constitute a first lien on the real property to
83 which the fees apply until paid. The deferred fees may be collected by
84 suit or tax sale as with all other real property taxes. If any person liable
85 does not pay all deferred fees as provided, the property may be certified
86 to the Department of Finance and the lien may be sold at the next tax
87 sale the County conducts. All deferred fees constitute a personal
88 liability of the owner of the property.

89 (h) Penalties for False or Fraudulent Information. A person who knowingly
90 submits a false or fraudulent application or statement or withholds
91 information in order to obtain a deferral under this Section:

92 (1) has committed a Class A violation.

93 (2) is liable for and must repay to the County any deferred fees plus
94 interest and penalty at the rate which applies to delinquent real
95 property taxes from the date of the deferral to the date of
96 payment; and

97 (3.) is liable for all court costs and expenses of the County, including
98 attorney's fees, in a civil action brought by the County.

99 (i) Regulations. The County Executive may adopt regulations under
100 method (2) to administer this fee deferral program.

101 **Sec. 2. Sunset.** County Code Section 2-42C, inserted by Section 1 of this
102 Act, expires on April 1, 2010.

103 **Sec. 3. Expedited Effective Date.** The Council declares that this
104 legislation is necessary for the immediate protection of the public interest. This
105 Act takes effect 60 days after it becomes law.

106 *Approved:*

107

Philip M. Andrews, President, County Council

Date

108 *Approved:*

109

Isiah Leggett, County Executive

Date

110 *This is a correct copy of Council action.*

111

Linda M. Lauer, Clerk of the Council

Date