

SENATE BILL 643

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2002 Regular Session
2lr2504
CF 2lr2450

By: **Senators Baker and Middleton**
Introduced and read first time: February 1, 2002
Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 29, 2002

CHAPTER _____

1 AN ACT concerning

2 **Environment - Wastewater Infrastructure Improvement - ~~Fund~~ - Study**

3 FOR the purpose of ~~establishing a Wastewater Infrastructure Improvement Fund;~~
4 ~~requiring a certain budget distribution; authorizing the Department of the~~
5 ~~Environment to award grants to local jurisdictions for improving wastewater~~
6 ~~infrastructure; establishing certain criteria for eligibility and funding priority;~~
7 ~~requiring the Department to adopt certain regulations; requiring the~~
8 Department of the Environment to conduct certain inflow and infiltration
9 studies on wastewater treatment systems over a certain period; requiring the
10 Department to finance a utility rate study for each locality with a wastewater
11 treatment system in Maryland over a certain period; ~~providing for the~~
12 ~~termination of certain provisions of this Act~~; providing for the effective date of
13 this Act; and generally relating to wastewater infrastructure improvement.

14 ~~BY adding to~~
15 ~~Article - Environment~~
16 ~~Section 9-352~~
17 ~~Annotated Code of Maryland~~
18 ~~(1996 Replacement Volume and 2001 Supplement)~~

19 Preamble

20 WHEREAS, The costs of upgrading sewerage lines and wastewater treatment
21 facilities to meet today's environmental standards and to accommodate growth
22 typically far exceeds the financial resources of most smaller communities in
23 Maryland; and

1 WHEREAS, The availability of an adequate wastewater infrastructure is a vital
2 component of economic and community development strategies of the counties and
3 municipal corporations in the State; and

4 WHEREAS, The lack of an adequate wastewater infrastructure in many smaller
5 communities poses a serious challenge to the quality of life in these communities and
6 undermines the State's Smart Growth objectives that seek to channel future growth
7 and development into existing populated areas where infrastructure is already in
8 place to accommodate this development; now, therefore,

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

11 ~~Article -- Environment~~

12 ~~9-352.~~

13 ~~(A) THERE IS A WASTEWATER INFRASTRUCTURE IMPROVEMENT FUND.~~

14 ~~(B) THE GOVERNOR SHALL PROVIDE IN THE STATE BUDGET AN AMOUNT~~
15 ~~EQUAL TO 10% OF THE TOTAL FUNDS IN THE MARYLAND WATER QUALITY~~
16 ~~REVOLVING LOAN FUND TO BE DISTRIBUTED ANNUALLY TO THE WASTEWATER~~
17 ~~INFRASTRUCTURE IMPROVEMENT FUND.~~

18 ~~(C) THE DEPARTMENT MAY DISTRIBUTE MONEY IN THE WASTEWATER~~
19 ~~INFRASTRUCTURE IMPROVEMENT FUND TO POLITICAL SUBDIVISIONS OF THE STATE~~
20 ~~THROUGH GRANTS FOR IMPROVING WASTEWATER INFRASTRUCTURE ACCORDING~~
21 ~~TO THIS SECTION.~~

22 ~~(D) THE DEPARTMENT SHALL ADOPT REGULATIONS THAT ESTABLISH~~
23 ~~APPLICATION PROCEDURES AND CRITERIA FOR THE AWARD OF GRANTS UNDER THIS~~
24 ~~SECTION. THE CRITERIA SHALL INCLUDE:~~

25 ~~(1) THE NEED TO CORRECT A SUBSTANTIAL WASTEWATER SYSTEM~~
26 ~~DEFICIENCY RELATED TO SANITARY SYSTEM OVERFLOWS OR AN INFLOW OR~~
27 ~~INFILTRATION PROBLEM;~~

28 ~~(2) MEDIAN HOUSEHOLD INCOME FOR THE POLITICAL SUBDIVISION;~~

29 ~~(3) UTILITY USER RATES FOR THE POLITICAL SUBDIVISION; AND~~

30 ~~(4) THE COST RELATIONSHIP BETWEEN THE PROPOSED IMPROVEMENT~~
31 ~~AND THE USER RATES.~~

32 ~~(E) THE DEPARTMENT SHALL AWARD GRANTS TO ELIGIBLE LOCAL~~
33 ~~JURISDICTIONS IN ACCORDANCE WITH A PRIORITY RATING THAT INCORPORATES~~
34 ~~THE FOLLOWING CRITERIA:~~

1 (1) ~~THE FISCAL INABILITY OF THE LOCAL JURISDICTION TO PAY FOR~~
 2 ~~THE PROPOSED WASTEWATER INFRASTRUCTURE IMPROVEMENT THROUGH A~~
 3 ~~COMBINATION OF OTHERWISE AVAILABLE GRANTS AND LOANS;~~

4 (2) ~~THE NEED FOR THE PROPOSED WASTEWATER SYSTEM~~
 5 ~~IMPROVEMENT TO FURTHER AN ECONOMIC DEVELOPMENT ACTIVITY IDENTIFIED IN~~
 6 ~~A PLAN PRODUCED BY A REGIONAL PLANNING AND DEVELOPMENT COUNCIL, A~~
 7 ~~COUNTY ECONOMIC DEVELOPMENT COMMISSION, OR A MUNICIPAL~~
 8 ~~COMPREHENSIVE PLAN, WHERE APPLICABLE; AND~~

9 (3) ~~THE CRITERIA USED TO MAKE LOANS UNDER THE MARYLAND~~
 10 ~~WATER QUALITY REVOLVING LOAN FUND.~~

11 (F) ~~THE DEPARTMENT MAY NOT:~~

12 (1) ~~AWARD MORE THAN 15% OF THE FUNDS IN THE WASTEWATER~~
 13 ~~INFRASTRUCTURE IMPROVEMENT FUND TO A SINGLE LOCAL JURISDICTION DURING~~
 14 ~~ANY YEAR;~~

15 (2) ~~MAKE MORE THAN TWO GRANT AWARDS TO LOCAL JURISDICTIONS~~
 16 ~~LOCATED WITHIN A SINGLE COUNTY DURING ANY YEAR; OR~~

17 (3) ~~MAKE MORE THAN ONE GRANT AWARD TO FUND A BIOLOGICAL~~
 18 ~~NUTRIENT REMOVAL PROGRAM DURING ANY YEAR TO A LOCAL JURISDICTION~~
 19 ~~OPERATING A WASTEWATER TREATMENT FACILITY DESIGNED TO PRODUCE LESS~~
 20 ~~THAN 500,000 GALLONS PER DAY OF EFFLUENT OUTFLOW.~~

21 (G) ~~THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE~~
 22 ~~PROVISIONS OF THIS ACT.~~

23 SECTION 2. ~~1. AND BE IT FURTHER ENACTED, That~~ BE IT ENACTED BY
 24 THE GENERAL ASSEMBLY OF MARYLAND, That:

25 (a) ~~The~~ In fiscal year 2004, the Department of the Environment shall conduct
 26 a comprehensive inflow and infiltration data study on every wastewater treatment
 27 system. The study shall involve a statewide analysis using readily accessible existing
 28 data. This study shall determine whether there is an inflow and infiltration problem
 29 and, if so, determine the magnitude of the problem.

30 (b) ~~The~~ In fiscal year 2005, the Department of the Environment shall ~~conduct~~
 31 ~~at least six~~ contract with the Maryland Environmental Service to conduct at least 3
 32 comprehensive in-depth inflow and infiltration studies at selected wastewater
 33 treatment systems around the State that are representative of the inflow and
 34 infiltration problems around the State. One of these studies shall be performed on a
 35 wastewater treatment system with an average daily discharge over 1 million gallons;
 36 one on a wastewater treatment system with an average daily discharge of between 0.5
 37 million and 1 million gallons; and one on a wastewater treatment system with an
 38 average daily discharge of less than 0.5 million gallons.

1 (c) ~~The~~ In fiscal year 2006, the Department of the Environment shall finance
2 a utility rate study for each locality with a wastewater treatment system in
3 Maryland. This study will compare the local jurisdiction's utility rate to that
4 necessary to financially support the jurisdiction's current wastewater treatment
5 program, while ensuring that adequate funding is set aside by the local jurisdiction
6 for a local capital improvement program.

7 SECTION ~~3.~~ 2. AND BE IT FURTHER ENACTED, That ~~Section 2 of this Act~~
8 ~~shall take effect July 1, 2002. It shall remain effective for a period of 2 years and, at~~
9 ~~the end of June 30, 2004, with no further action required by the General Assembly,~~
10 ~~Section 2 of this Act shall be abrogated and of no further force and effect.~~

11 SECTION ~~4.~~ AND BE IT FURTHER ENACTED, That, except as provided in
12 ~~Section 3 of this Act,~~ this Act shall take effect July 1, ~~2004~~ 2003.