

HOUSE BILL 446

M3

(2lr0106)

ENROLLED BILL

— *Environmental Matters/Education, Health, and Environmental Affairs* —

Introduced by **The Speaker (By Request – Administration) and Delegates Beidle, Bobo, Clippinger, Feldman, Frush, Gaines, Glenn, Hucker, McIntosh, Mitchell, Niemann, S. Robinson, and Rosenberg**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Environment – Bay Restoration Fund – Fees and Uses**

3 FOR the purpose of ~~increasing~~ altering certain Bay Restoration Fees paid by users of
4 wastewater facilities, onsite sewage disposal systems, and sewage holding tanks
5 beginning on a certain date; *maintaining certain Bay Restoration Fees paid by*
6 *users of wastewater facilities, onsite sewage disposal systems, and sewage*
7 *holding tanks that do not discharge into or are not located within the*
8 *Chesapeake Bay Watershed or the Coastal Bays Watershed; ~~providing for the~~*
9 *collection of the fees by certain billing authorities under certain circumstances*
10 *altering certain Bay Restoration Fees for certain buildings, groups of buildings,*
11 *or nonresidential users beginning on a certain date; *maintaining certain Bay**
12 *Restoration Fees for certain buildings, groups of buildings, or nonresidential*
13 *users that do not discharge wastewater into the Chesapeake Bay Watershed or*

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 the Coastal Bays Watershed; altering the manner in which the Bay Restoration
 2 Fee is calculated for certain buildings, groups of buildings, and nonresidential
 3 users; authorizing the Bay Restoration Fee to be calculated in a certain manner
 4 for a nonresidential user under certain circumstances; prohibiting a change in
 5 the manner of determining the Bay Restoration Fee that will reduce the amount
 6 of funds available for a certain purpose; requiring a local government or a
 7 certain billing authority to establish a certain hardship program, subject to
 8 approval by the Maryland Water Quality Financing Administration;
 9 establishing a maximum amount of funds that may be transferred to the
 10 Maryland Agriculture Water Quality Cost Share Program in the Department of
 11 Agriculture for certain activities beginning in a certain fiscal year; requiring
 12 certain funds remaining after certain distributions are made to be deposited in
 13 a certain account; requiring the Bay Restoration Fund to be used for grants to
 14 local governments for a certain purpose and in accordance with certain
 15 requirements in certain fiscal years; altering a certain definition; providing for a
 16 delayed effective date for certain provisions of this Act; repealing certain
 17 obsolete language; and generally relating to ~~increasing~~ Bay Restoration Fees.

18 BY repealing and reenacting, without amendments,
 19 Article – Environment
 20 Section 9-1601(a) and 9-1605.2(a)
 21 Annotated Code of Maryland
 22 (2007 Replacement Volume and 2011 Supplement)

23 BY repealing and reenacting, with amendments,
 24 Article – Environment
 25 Section 9-1601(ee) and 9-1605.2(b), (d), and (i)
 26 Annotated Code of Maryland
 27 (2007 Replacement Volume and 2011 Supplement)

28 BY repealing and reenacting, with amendments,
 29 Article – Environment
 30 Section 9-1605.2(h)
 31 Annotated Code of Maryland
 32 (2007 Replacement Volume and 2011 Supplement)
 33 (As enacted by Chapter 428 of the Acts of the General Assembly of 2004)

34 BY repealing and reenacting, with amendments,
 35 Article – Environment
 36 Section 9-1605.2(b)(1)(i)
 37 Annotated Code of Maryland
 38 (2007 Replacement Volume and 2011 Supplement)
 39 (As enacted by Section 1 of this Act)

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

Article – Environment

1
2 9-1601.

3 (a) Unless the context clearly requires otherwise, in this subtitle the following
4 words have the meanings indicated.

5 (ee) (1) “Person” means an individual, corporation, partnership,
6 association, the State, any unit of the State, commission, special taxing district, or the
7 federal government.

8 (2) “Person” does not include a county, municipal corporation,
9 bi-county or multicounty agency under Article 28 or 29 of the Code, housing authority
10 under Division II of the Housing and Community Development Article, school board,
11 community college, or any other unit of a county or municipal corporation, **OR A LOCAL**
12 **FIRE DEPARTMENT, AS DEFINED IN § 9-401 OF THE PUBLIC SAFETY ARTICLE.**

13 9-1605.2.

14 (a) (1) There is a Bay Restoration Fund.

15 (2) It is the intent of the General Assembly that the Bay Restoration
16 Fund be:

17 (i) Used, in part, to provide the funding necessary to upgrade
18 any of the wastewater treatment facilities that are located in the State or used by
19 citizens of the State in order to achieve enhanced nutrient removal where it is
20 cost-effective to do so; and

21 (ii) Available for treatment facilities discharging into the
22 Atlantic Coastal Bays or other waters of the State, but that priority be given to
23 treatment facilities discharging into the Chesapeake Bay.

24 (3) The Bay Restoration Fund shall be maintained and administered
25 by the Administration in accordance with the provisions of this section and any rules
26 or program directives as the Secretary or the Board may prescribe.

27 (4) There is established a Bay Restoration Fee to be paid by any user
28 of a wastewater facility, an onsite sewage disposal system, or a holding tank that:

29 (i) Is located in the State; or

30 (ii) Serves a Maryland user and is eligible for funding under
31 this subtitle.

1 (b) (1) **(i)** [The] **BEGINNING ON JULY 1, 2012, THE** Bay Restoration
 2 Fee is:

3 ~~(i)~~ **1.** [Beginning January 1, 2005, for] **FOR** each
 4 ~~[residential dwelling] USER~~ that receives an individual sewer bill and each user of an
 5 onsite sewage disposal system or a holding tank that receives a water bill~~;~~:

6 **A. \$2.50 PER MONTH IF THE WASTEWATER**
 7 **GENERATED BY A RESIDENTIAL DWELLING IS TREATED AT A WASTEWATER**
 8 **FACILITY THAT DOES NOT DISCHARGE INTO THE CHESAPEAKE BAY WATERSHED**
 9 **OR THE COASTAL BAYS WATERSHED;**

10 **B. \$2.50 PER MONTH IF THE ONSITE SEWAGE**
 11 **DISPOSAL SYSTEM OR HOLDING TANK IS NOT LOCATED WITHIN THE**
 12 **CHESAPEAKE BAY WATERSHED OR THE COASTAL BAYS WATERSHED;**

13 **C. ~~\$2.50~~ \$5.00** per month **IF THE WASTEWATER**
 14 **GENERATED BY A RESIDENTIAL DWELLING IS TREATED AT A WASTEWATER**
 15 **FACILITY THAT DOES DISCHARGE INTO THE CHESAPEAKE BAY WATERSHED OR**
 16 **THE COASTAL BAYS WATERSHED; AND**

17 **D. \$5.00 PER MONTH IF THE WASTEWATER ONSITE**
 18 **SEWAGE DISPOSAL SYSTEM OR HOLDING TANK IS LOCATED WITHIN THE**
 19 **CHESAPEAKE BAY WATERSHED OR THE COASTAL BAYS WATERSHED;**

20 ~~**1. A. \$0.90 PER 1,000 GALLONS OF WATER USAGE**~~
 21 ~~**FOR THE FIRST 2,000 GALLONS PER MONTH; AND**~~

22 ~~**B. \$1.25 PER 1,000 GALLONS OF WATER THAT**~~
 23 ~~**EXCEEDS 2,000 GALLONS OF WATER USAGE PER MONTH; OR**~~

24 ~~**2. \$5.00 PER MONTH FOR EACH EQUIVALENT**~~
 25 ~~**DWELLING UNIT IF THE BILLING AUTHORITY DOES NOT HAVE A WATER USAGE**~~
 26 ~~**BASED BILLING SYSTEM;**~~

27 ~~(ii)~~ **2.** [Beginning October 1, 2005, for] **FOR** each user of an
 28 onsite sewage disposal system that does not receive a water bill~~;~~:

29 **A. \$30 PER YEAR IF THE ONSITE SEWAGE DISPOSAL**
 30 **SYSTEM IS NOT LOCATED WITHIN THE CHESAPEAKE BAY WATERSHED OR THE**
 31 **COASTAL BAYS WATERSHED; OR**

1 B. [~~\$30~~] **\$60** per year IF THE ONSITE SEWAGE
 2 DISPOSAL SYSTEM IS LOCATED WITHIN THE CHESAPEAKE BAY WATERSHED OR
 3 THE COASTAL BAYS WATERSHED; AND

4 ~~(iii)~~ 3. [Beginning October 1, 2005, for] **FOR** each user of a
 5 sewage holding tank that does not receive a water bill;

6 A. **\$30 PER YEAR IF THE SEWAGE HOLDING TANK IS**
 7 NOT LOCATED WITHIN THE CHESAPEAKE BAY WATERSHED OR THE COASTAL
 8 BAYS WATERSHED; AND

9 B. [~~\$30~~] **\$60** per year IF THE SEWAGE HOLDING TANK
 10 IS LOCATED WITHIN THE CHESAPEAKE BAY WATERSHED OR THE COASTAL BAYS
 11 WATERSHED; and

12 ~~(iv)~~ 4. ~~Beginning January 1, 2005, for~~ **FOR** a building or
 13 group of buildings under single ownership or management that receives a sewer bill
 14 and that contains multiple residential dwellings that do not receive an individual
 15 sewer bill or for a nonresidential user:

16 ~~A.~~ A. FOR EACH EQUIVALENT DWELLING UNIT NOT
 17 EXCEEDING 2,000 EQUIVALENT DWELLING UNITS, \$2.50 PER MONTH IF THE
 18 WASTEWATER GENERATED BY A BUILDING OR GROUP OF BUILDINGS
 19 CONTAINING MULTIPLE RESIDENTIAL DWELLINGS IS TREATED AT A
 20 WASTEWATER FACILITY THAT DOES NOT DISCHARGE INTO THE CHESAPEAKE
 21 BAY WATERSHED OR THE COASTAL BAYS WATERSHED;

22 B. For each equivalent dwelling unit not exceeding ~~3,000~~
 23 **2,000** equivalent dwelling units, ~~\$2.50~~ **\$5.00** per month IF THE WASTEWATER
 24 GENERATED BY A BUILDING OR GROUP OF BUILDINGS CONTAINING MULTIPLE
 25 RESIDENTIAL DWELLINGS IS TREATED AT A WASTEWATER FACILITY THAT DOES
 26 DISCHARGE INTO THE CHESAPEAKE BAY WATERSHED OR THE COASTAL BAYS
 27 WATERSHED; AND

28 ~~2.~~ ~~For each equivalent dwelling unit exceeding 3,000~~
 29 ~~equivalent dwelling units and not exceeding 5,000 equivalent dwelling units, \$1.25 per~~
 30 ~~month; and~~

31 ~~3.~~ B. C. For each equivalent dwelling unit exceeding
 32 ~~5,000~~ **2,000** equivalent dwelling units, zero.

33 (II) FOR A NONRESIDENTIAL USER, THE BAY RESTORATION
 34 FEE MAY BE CALCULATED BASED ON AN ESTIMATE OF EQUIVALENT DWELLING
 35 UNITS OF WASTEWATER EFFLUENT GENERATED, IF THE NONRESIDENTIAL

1 USER'S WASTEWATER BILL IS BASED ON WASTEWATER GENERATED AND NOT ON
2 WATER USAGE.

3 (2) (i) For a residential dwelling that receives an individual sewer
4 bill, a user of an onsite sewage disposal system or a holding tank that receives a water
5 bill, a building or group of buildings under single ownership or management that
6 receives a water and sewer bill and that contains multiple residential dwellings that
7 do not receive an individual sewer bill, and a nonresidential user, the restoration fee
8 shall be:

9 1. Stated in a separate line on the sewer or water bill, as
10 appropriate, that is labeled "Bay Restoration Fee"; and

11 2. Collected for each calendar quarter, unless a local
12 government or billing authority for a water or wastewater facility established some
13 other billing period on or before January 1, 2004.

14 (ii) 1. A. If the user does not receive a water bill, for
15 users of an onsite sewage disposal system and for users of a sewage holding tank, the
16 county in which the onsite sewage disposal system or holding tank is located shall be
17 responsible for collecting the restoration fee.

18 B. A county may negotiate with a municipal corporation
19 located within the county for the municipal corporation to collect the restoration fee
20 from onsite sewage disposal systems and holding tanks located in the municipal
21 corporation.

22 2. The governing body of each county, in consultation
23 with the Bay Restoration Fund Advisory Committee, shall determine the method and
24 frequency of collecting the restoration fee under subparagraph 1 of this
25 subparagraph.

26 (3) The total fee imposed under paragraph (1) of this subsection may
27 not exceed \$120,000 annually for a single site.

28 (4) (i) For purposes of measuring average daily wastewater flow,
29 the local government or billing authority for a wastewater facility shall use existing
30 methods of measurement, which may include water usage or other estimation
31 methods.

32 (ii) The averaging period is:

33 1. The billing period established by the local government
34 or billing authority; or

35 2. If a billing period is not established by the local
36 government or billing authority, a quarter of a calendar year.

1 (5) **(I)** The Bay Restoration Fee under this subsection may not be
2 reduced as long as bonds are outstanding.

3 **(II) ANY CHANGE IN THE MANNER OF DETERMINING THE**
4 **BAY RESTORATION FEE MAY NOT REDUCE THE AMOUNT OF FUNDS AVAILABLE**
5 **FOR THE PAYMENT OF OUTSTANDING BONDS.**

6 (d) (1) Subject to the approval of the Administration, a local government
7 or a billing authority for a water or wastewater facility [may] SHALL establish a
8 program to exempt from the requirements of this section a residential dwelling able to
9 demonstrate substantial financial hardship as a result of the restoration fee.

10 (2) (i) Except as provided in subparagraph (ii) of this paragraph,
11 the Bay Restoration Fee shall be collected by the local government or the billing
12 authority for the water or wastewater facility, as appropriate, on behalf of the State.

13 (ii) For a wastewater facility without a billing authority, the
14 Comptroller may collect the restoration fee from the facility owner.

15 (3) A local government, billing authority for a water or wastewater
16 facility, or any other authorized collecting agency:

17 (i) May use all of its existing procedures and authority for
18 collecting a water or sewer bill, an onsite sewage disposal system bill, or a holding
19 tank bill in order to enforce the collection of the Bay Restoration Fee; and

20 (ii) Shall establish a segregated account for the deposit of funds
21 collected under this section.

22 (4) (i) In Dorchester County, an unpaid Bay Restoration Fee shall
23 be a lien against the property served by a wastewater facility, onsite sewage disposal
24 system, or holding tank.

25 (ii) A notice of lien shall be recorded in the land records of
26 Dorchester County.

27 (5) (i) In Caroline County, an unpaid Bay Restoration Fee shall be
28 a lien against the property served by a wastewater facility, onsite sewage disposal
29 system, or holding tank.

30 (ii) A notice of lien shall be recorded in the land records of
31 Caroline County.

32 (h) (1) With regard to the funds collected under subsection [(b)(1)(i)]
33 **(B)(1)(I)1, from users of an onsite sewage disposal system or holding tank that**

1 receive a water bill, [(ii)] (I)2, and [(iii)] (I)3 of this section, beginning in fiscal year
2 2006, the Comptroller shall:

3 (i) Establish a separate account within the Bay Restoration
4 Fund; and

5 (ii) Disburse the funds as provided under paragraph (2) of this
6 subsection.

7 (2) The Comptroller shall:

8 (i) Deposit 60% of the funds in the separate account to be used
9 for:

10 1. Subject to paragraph (3) of this subsection, with
11 priority first given to failing systems and holding tanks located in the Chesapeake and
12 Atlantic Coastal Bays Critical Area and then to failing systems that the Department
13 determines are a threat to public health or water quality, grants or loans for up to
14 100% of:

15 A. The costs attributable to upgrading an onsite sewage
16 disposal system to the best available technology for the removal of nitrogen;

17 B. The cost difference between a conventional onsite
18 sewage disposal system and a system that utilizes the best available technology for the
19 removal of nitrogen;

20 C. The cost of repairing or replacing a failing onsite
21 sewage disposal system with a system that uses the best available technology for
22 nitrogen removal;

23 D. The cost, up to the sum of the costs authorized under
24 item 1B of this item for each individual system, of replacing multiple onsite sewage
25 disposal systems located in the same community with a new community sewerage
26 system that is owned by a local government and that meets enhanced nutrient
27 removal standards; or

28 E. The cost, up to the sum of the costs authorized under
29 item 1C of this item for each individual system, of connecting a property using an
30 onsite sewage disposal system to an existing municipal wastewater facility that is
31 achieving enhanced nutrient removal level treatment.

32 2. The reasonable costs of the Department, not to exceed
33 8% of the funds deposited into the separate account, to:

34 A. Implement an education, outreach, and upgrade
35 program to advise owners of onsite sewage disposal systems and holding tanks on the

1 proper maintenance of the systems and tanks and the availability of grants and loans
2 under item 1 of this item;

3 B. Review and approve the design and construction of
4 onsite sewage disposal system or holding tank upgrades;

5 C. Issue grants or loans as provided under item 1 of this
6 item; and

7 D. Provide technical support for owners of upgraded
8 onsite sewage disposal systems or holding tanks to operate and maintain the upgraded
9 systems; and

10 (ii) Transfer 40% of the funds to the Maryland Agriculture
11 Water Quality Cost Share Program in the Department of Agriculture in order to fund
12 cover crop activities.

13 (3) (i) Funding for the costs identified in paragraph (2)(i)1 of this
14 subsection shall be provided in the following order of priority:

15 1. For owners of all levels of income, the costs identified
16 in paragraph (2)(i)1A and B of this subsection; and

17 2. For low-income owners, as defined by the
18 Department, the costs identified in paragraph (2)(i)1C of this subsection:

19 A. First, for best available technologies for nitrogen
20 removal; and

21 B. Second, for other wastewater treatment systems.

22 (ii) Funding for the costs identified in paragraph (2)(i)1D of this
23 subsection may be provided if:

24 1. The environmental impact of the onsite sewage
25 disposal system is documented by the local government and confirmed by the
26 Department;

27 2. It can be demonstrated that:

28 A. The replacement of the onsite sewage disposal system
29 with a new community sewerage system is more cost effective for nitrogen removal
30 than upgrading each individual onsite sewage disposal system; or

31 B. The individual replacement of the onsite sewage
32 disposal system is not feasible; and

1 3. The new community sewerage system will only serve
2 lots that have received a certificate of occupancy, or equivalent certificate, on or before
3 October 1, 2008.

4 (iii) Funding for the costs identified in paragraph (2)(i)1E of this
5 subsection may be provided only if all of the following conditions are met:

6 1. The environmental impact of the onsite sewage
7 disposal system is documented by the local government and confirmed by the
8 Department;

9 2. It can be demonstrated that:

10 A. The replacement of the onsite sewage disposal system
11 with service to an existing municipal wastewater facility that is achieving enhanced
12 nutrient removal level treatment is more cost-effective for nitrogen removal than
13 upgrading the individual onsite sewage disposal system; or

14 B. The individual replacement of the onsite sewage
15 disposal system is not feasible;

16 3. The project is consistent with the county's
17 comprehensive plan and water and sewer master plan;

18 4. The onsite sewage disposal system was installed as of
19 October 1, 2008, and the property the system serves is located in a priority funding
20 area, in accordance with § 5-7B-02 of the State Finance and Procurement Article; and

21 5. The local government has adopted a policy or
22 procedure that will guarantee that any future connection to an existing municipal
23 wastewater facility that is funded under paragraph (2)(i)1E of this subsection will
24 meet all of the requirements under this subparagraph.

25 (4) The Comptroller, in consultation with the Administration, may
26 establish any other accounts and subaccounts within the Bay Restoration Fund as
27 necessary to:

28 (i) Effectuate the purposes of this subtitle;

29 (ii) Comply with the provisions of any bond resolution;

30 (iii) Meet the requirements of any federal or State law or of any
31 grant or award to the Bay Restoration Fund; and

32 (iv) Meet any rules or program directives established by the
33 Secretary or the Board.

1 (i) (1) In this subsection, “eligible costs” means the additional costs that
2 would be attributable to upgrading a wastewater facility from biological nutrient
3 removal to enhanced nutrient removal, as determined by the Department.

4 (2) Funds in the Bay Restoration Fund shall be used only:

5 (i) To award grants for up to 100% of eligible costs of projects
6 relating to planning, design, construction, and upgrade of a wastewater facility for
7 flows up to the design capacity of the wastewater facility, as approved by the
8 Department, to achieve enhanced nutrient removal in accordance with paragraph (3)
9 of this subsection;

10 (ii) 1. In fiscal years 2005 through 2009, inclusive, for a
11 portion of the costs of projects relating to combined sewer overflows abatement,
12 rehabilitation of existing sewers, and upgrading conveyance systems, including
13 pumping stations, not to exceed an annual total of \$5,000,000; [and]

14 2. In fiscal years 2010 and thereafter, for a portion of the
15 operation and maintenance costs related to the enhanced nutrient removal technology,
16 which may not exceed 10% of the total restoration fee collected from users of
17 wastewater facilities under this section by the Comptroller annually;

18 3. **IN FISCAL YEARS 2018 AND THEREAFTER, AFTER**
19 **PAYMENT OF OUTSTANDING BONDS AND THE ALLOCATION OF FUNDS TO OTHER**
20 **REQUIRED USES OF THE BAY RESTORATION FUND FOR FUNDING IN THE**
21 **FOLLOWING ORDER OF PRIORITY:**

22 A. **FOR FUNDING AN UPGRADE OF A WASTEWATER**
23 **FACILITY TO ENHANCED NUTRIENT REMOVAL AT WASTEWATER FACILITIES**
24 **WITH A DESIGN CAPACITY OF 500,000 GALLONS OR MORE PER DAY;**

25 B. **FOR FUNDING FOR THE MOST COST-EFFECTIVE**
26 **ENHANCED NUTRIENT REMOVAL UPGRADES AT WASTEWATER FACILITIES WITH**
27 **A DESIGN CAPACITY OF LESS THAN 500,000 GALLONS PER DAY;**

28 C. **FOR COSTS IDENTIFIED UNDER SUBSECTION**
29 **(H)(2)(I)1 OF THIS SECTION; AND**

30 D. **WITH RESPECT TO A LOCAL GOVERNMENT THAT**
31 **HAS ENACTED AND IMPLEMENTED A SYSTEM OF CHARGES UNDER § 4-204 OF**
32 **THIS ARTICLE TO FULLY FUND THE IMPLEMENTATION OF A STORMWATER**
33 **MANAGEMENT PROGRAM, FOR GRANTS TO THE LOCAL GOVERNMENT FOR A**
34 **PORTION OF THE COSTS OF THE MOST COST-EFFECTIVE AND EFFICIENT**
35 **STORMWATER CONTROL MEASURES, AS DETERMINED AND APPROVED BY THE**
36 **DEPARTMENT, FROM THE RESTORATION FEES COLLECTED ANNUALLY BY THE**

1 COMPTROLLER FROM USERS OF WASTEWATER FACILITIES UNDER THIS
2 SECTION;

3 (iii) As a source of revenue or security for the payment of
4 principal and interest on bonds issued by the Administration if the proceeds of the sale
5 of the bonds will be deposited in the Bay Restoration Fund;

6 (iv) To earn interest on Bay Restoration Fund accounts;

7 (v) For the reasonable costs of administering the Bay
8 Restoration Fund, which may not exceed 1.5% of the total restoration fees imposed on
9 users of wastewater facilities that are collected by the Comptroller annually;

10 (vi) For the reasonable administrative costs incurred by a local
11 government or a billing authority for a water or wastewater facility collecting the
12 restoration fees, in an amount not to exceed 5% of the total restoration fees collected
13 by that local government or billing authority;

14 (vii) For future upgrades of wastewater facilities to achieve
15 additional nutrient removal or water quality improvement, in accordance with
16 paragraphs (6) and (7) of this subsection;

17 (viii) For costs associated with the issuance of bonds; and

18 (ix) Subject to the allocation of funds and the conditions under
19 subsection (h) of this section, for projects related to the removal of nitrogen from onsite
20 sewage disposal systems and cover crop activities.

21 (3) The grant agreement and State discharge permit, if applicable,
22 shall require an owner of a wastewater facility to operate the enhanced nutrient
23 removal facility in a manner that optimizes the nutrient removal capability of the
24 facility in order to achieve enhanced nutrient removal performance levels.

25 (4) The grant agreement shall require a grantee to demonstrate, to the
26 satisfaction of the Department, that steps were taken to include small business
27 enterprises, minority business enterprises, and women's business enterprises by:

28 (i) Placing qualified small business enterprises, minority
29 business enterprises, and women's business enterprises on solicitation lists;

30 (ii) Assuring that small business enterprises, minority business
31 enterprises, and women's business enterprises are solicited whenever they are
32 potential sources;

33 (iii) Dividing total requirements, when economically feasible,
34 into small tasks or quantities to permit maximum participation of small business
35 enterprises, minority business enterprises, and women's business enterprises;

1 (iv) Establishing delivery schedules, where the requirement
2 permits, that encourage participation by small business enterprises, minority business
3 enterprises, and women’s business enterprises; and

4 (v) Using the services and assistance of the Maryland
5 Department of Transportation and the Governor’s Office of Minority Affairs in
6 identifying and soliciting small business enterprises, minority business enterprises,
7 and women’s business enterprises.

8 (5) If the steps required under paragraph (4) of this subsection are not
9 demonstrated to the satisfaction of the Department, the Department may withhold
10 financial assistance for the project.

11 (6) (i) All wastewater facilities serving Maryland users that have
12 contributed to the Bay Restoration Fund are eligible for grants under this section,
13 including the Blue Plains Wastewater Treatment Plant in the District of Columbia.

14 (ii) Grants issued under paragraph (2)(i) of this subsection for
15 upgrades to the Blue Plains Wastewater Treatment Plant may be awarded only if each
16 party to the Blue Plains Intermunicipal Agreement of 1985 contributes a proportional
17 share of the upgrade costs in accordance with the Blue Plains Intermunicipal
18 Agreement of 1985, as revised and updated.

19 (7) Priority for funding an upgrade of a wastewater facility shall be
20 given to enhanced nutrient removal upgrades at wastewater facilities with a design
21 capacity of 500,000 gallons or more per day.

22 (8) (i) The eligibility and priority ranking of a project shall be
23 determined by the Department based on criteria established in regulations adopted by
24 the Department, in accordance with subsection (k) of this section.

25 (ii) The criteria adopted by the Department shall include, as
26 appropriate, consideration of:

27 1. The cost-effectiveness in providing water quality
28 benefit;

29 2. The water quality benefit to a body of water identified
30 by the Department as impaired under Section 303(d) of the Clean Water Act;

31 3. The readiness of a wastewater facility to proceed to
32 construction; and

33 4. The nitrogen and phosphorus loads discharged by a
34 wastewater facility.

1 (9) A wastewater facility that has not been offered or has not received
2 funds from the Department under this section or from any other fund in the
3 Department may not be required to upgrade to enhanced nutrient removal levels,
4 except as otherwise required under federal or State law.

5 SECTION 2. AND BE IT FURTHER ENACTED, That ~~this Act shall take effect~~
6 ~~July 1, 2012~~ the Laws of Maryland read as follows:

7 **Article – Environment**

8 9–1605.2.

9 (b) (1) (i) Beginning on [July 1, 2012] **JULY 1, 2030**, the Bay
10 Restoration Fee is:

11 1. For each residential dwelling that receives an
12 individual sewer bill and each user of an onsite sewage disposal system or a holding
13 tank that receives a water bill ~~/:~~:

14 A. \$2.50 per month if the wastewater generated by a
15 residential dwelling is treated at a wastewater facility that does not discharge into the
16 Chesapeake Bay Watershed or the Coastal Bays Watershed;

17 B. \$2.50 per month if the onsite sewage disposal system
18 or holding tank is not located within the Chesapeake Bay Watershed or the Coastal
19 Bays Watershed;

20 C. ~~[\$5.00] \$2.50~~ per month [if the wastewater generated
21 by a residential dwelling is treated at a wastewater facility that does discharge into the
22 Chesapeake Bay Watershed or the Coastal Bays Watershed; and

23 D. \$5.00 per month if the wastewater onsite sewage
24 disposal system or holding tank is located within the Chesapeake Bay Watershed or the
25 Coastal Bays Watershed];

26 2. For each user of an onsite sewage disposal system
27 that does not receive a water bill ~~/:~~:

28 A. \$30 per year if the onsite sewage disposal system is not
29 located within the Chesapeake Bay Watershed or the Coastal Bays Watershed; or

30 B. ~~[\$60] \$30~~ per year [if the onsite sewage disposal
31 system is located within the Chesapeake Bay Watershed or the Coastal Bays
32 Watershed];

1 3. For each user of a sewage holding tank that does not
2 receive a water bill;

3 A. \$30 per year if the sewage holding tank is not located
4 within the Chesapeake Bay Watershed or the Coastal Bays Watershed; and

5 B. ~~[\$60]~~ \$30 per year [if the sewage holding tank is
6 located within the Chesapeake Bay Watershed or the Coastal Bays Watershed]; and

7 4. For a building or group of buildings under single
8 ownership or management that receives a sewer bill and that contains multiple
9 residential dwellings that do not receive an individual sewer bill or for a
10 nonresidential user:

11 A. [For each equivalent dwelling unit not exceeding 2,000
12 equivalent dwelling units, \$2.50 per month if the wastewater generated by a building or
13 group of buildings containing multiple residential dwellings is treated at a wastewater
14 facility that does not discharge into the Chesapeake Bay Watershed or the Coastal Bays
15 Watershed;

16 B.] For each equivalent dwelling unit not exceeding
17 [2,000] 3,000 equivalent dwelling units, [~~\$5.00~~] \$2.50 per month [if the wastewater
18 generated by a building or group of buildings containing multiple residential dwellings
19 is treated at a wastewater facility that does discharge into the Chesapeake Bay
20 Watershed or the Coastal Bays Watershed]; [and]

21 B. FOR EACH EQUIVALENT DWELLING UNIT
22 EXCEEDING 3,000 EQUIVALENT DWELLING UNITS AND NOT EXCEEDING 5,000
23 EQUIVALENT DWELLING UNITS, \$1.25 PER MONTH; AND

24 [B.] C. For each equivalent dwelling unit exceeding
25 [2,000] 5,000 equivalent dwelling units, zero.

26 SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall
27 take effect July 1, 2012.

28 SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall
29 take effect July 1, 2030.