

# HOUSE BILL 827

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By: **Delegates Hucker, Carr, Conaway, Frush, Hubbard, A. Kelly, S. Robinson, Stein, and M. Washington**

Introduced and read first time: February 6, 2013

Assigned to: Environmental Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Environment – Water Supply and Wastewater Infrastructure – Fund**

3 FOR the purpose of altering a certain funding source for the Maryland Water Quality  
4 Revolving Loan Fund and the Maryland Drinking Water Revolving Loan Fund;  
5 establishing the Water Supply and Wastewater Infrastructure Trust Fund as a  
6 special, nonlapsing fund; specifying the purpose of the Fund; requiring the  
7 Maryland Water Quality Financing Administration in the Department of the  
8 Environment to administer the Fund; requiring the State Treasurer to hold the  
9 Fund and the Comptroller to account for the Fund; specifying the contents of  
10 the Fund; specifying the purpose for which the Fund may be used; providing for  
11 the investment of money in and expenditures from the Fund; defining a certain  
12 term; and generally relating to the establishment of the Water Supply and  
13 Wastewater Infrastructure Trust Fund.

14 BY repealing and reenacting, with amendments,  
15 Article – Environment  
16 Section 9–1605(b) and 9–1605.1(b)  
17 Annotated Code of Maryland  
18 (2007 Replacement Volume and 2012 Supplement)

19 BY adding to  
20 Article – Environment  
21 Section 9–1605.4  
22 Annotated Code of Maryland  
23 (2007 Replacement Volume and 2012 Supplement)

24 BY repealing and reenacting, without amendments,  
25 Article – State Finance and Procurement  
26 Section 6–226(a)(2)(i)  
27 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2009 Replacement Volume and 2012 Supplement)

2 BY repealing and reenacting, with amendments,  
3 Article – State Finance and Procurement  
4 Section 6–226(a)(2)(ii)69. and 70.  
5 Annotated Code of Maryland  
6 (2009 Replacement Volume and 2012 Supplement)

7 BY adding to  
8 Article – State Finance and Procurement  
9 Section 6–226(a)(2)(ii)71.  
10 Annotated Code of Maryland  
11 (2009 Replacement Volume and 2012 Supplement)

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

14 **Article – Environment**

15 9–1605.

16 (b) There shall be deposited in the Water Quality Fund:

17 (1) Federal capitalization grants and awards or other federal  
18 assistance received by the State pursuant to Title VI of the Federal Water Pollution  
19 Control Act and any funds transferred to the Water Quality Fund pursuant to § 302 of  
20 the federal Safe Drinking Water Act;

21 (2) Funds [appropriated by the General Assembly] **DESIGNATED** for  
22 deposit to the Water Quality Fund **FROM THE WATER SUPPLY AND WASTEWATER**  
23 **INFRASTRUCTURE TRUST FUND ESTABLISHED UNDER § 9–1605.4 OF THIS**  
24 **SUBTITLE;**

25 (3) Payments received from any borrower in repayment of a loan,  
26 including amounts withheld by the State Comptroller and paid to the Administration  
27 pursuant to a pledge made by a borrower under § 9–1606(d) of this subtitle or § 7–222  
28 of the State Finance and Procurement Article;

29 (4) Net proceeds of bonds issued by the Administration;

30 (5) Interest or other income earned on the investment of moneys in the  
31 Water Quality Fund; and

32 (6) Any additional moneys made available from any sources, public or  
33 private, for the purposes for which the Water Quality Fund has been established.

34 9–1605.1

1 (b) There shall be deposited in the Drinking Water Loan Fund:

2 (1) Federal grants and awards or other federal assistance received by  
3 the State for the purpose of making loans to borrowers for water supply systems and  
4 any funds transferred from the Water Quality Fund pursuant to § 302 of the federal  
5 Safe Drinking Water Act;

6 (2) Funds [appropriated by the General Assembly] **DESIGNATED** for  
7 deposit to the Drinking Water Loan Fund **FROM THE WATER SUPPLY AND**  
8 **WASTEWATER INFRASTRUCTURE TRUST FUND ESTABLISHED UNDER §**  
9 **9-1605.4 OF THIS SUBTITLE;**

10 (3) Payments received from borrowers for deposit to the Drinking  
11 Water Loan Fund in repayment of a loan, including amounts withheld by the State  
12 Comptroller and paid to the Administration pursuant to a pledge made by a borrower  
13 under § 9-1606(d) of this subtitle or § 7-222 of the State Finance and Procurement  
14 Article;

15 (4) Net proceeds of bonds issued by the Administration;

16 (5) Interest or other income earned on the investment of moneys in the  
17 Drinking Water Loan Fund; and

18 (6) Any additional moneys made available from any sources, public or  
19 private, for the purposes for which the Drinking Water Loan Fund has been  
20 established.

21 **9-1605.4.**

22 (A) **IN THIS SECTION, “FUND” MEANS THE WATER SUPPLY AND**  
23 **WASTEWATER INFRASTRUCTURE TRUST FUND.**

24 (B) **THERE IS A WATER SUPPLY AND WASTEWATER INFRASTRUCTURE**  
25 **TRUST FUND.**

26 (C) **THE PURPOSE OF THE FUND IS TO:**

27 (1) **PROVIDE A DEDICATED SOURCE OF FUNDING TO SUPPORT**  
28 **IMPROVEMENTS TO THE STATE’S WATER SUPPLY AND WASTEWATER**  
29 **INFRASTRUCTURE; AND**

30 (2) **PROVIDE THE STATE’S MATCHING FUNDS THAT ARE**  
31 **REQUIRED FOR FEDERAL CAPITALIZATION GRANTS AND AWARDS OR OTHER**  
32 **FEDERAL ASSISTANCE DEPOSITED TO THE WATER QUALITY FUND UNDER §**

1 **9-1605 OF THIS SUBTITLE AND THE DRINKING WATER LOAN FUND UNDER §**  
2 **9-1605.1 OF THIS SUBTITLE.**

3 **(D) THE ADMINISTRATION SHALL ADMINISTER THE FUND.**

4 **(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**  
5 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

6 **(2) THE STATE TREASURER SHALL HOLD THE FUND**  
7 **SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

8 **(F) THE FUND CONSISTS OF:**

9 **(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

10 **(2) INVESTMENT EARNINGS OF THE FUND; AND**

11 **(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED**  
12 **FOR THE BENEFIT OF THE FUND.**

13 **(G) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**  
14 **SUBSECTION, THE FUND MAY BE USED ONLY TO PROVIDE THE STATE'S**  
15 **MATCHING FUNDS THAT ARE REQUIRED FOR THE FEDERAL CAPITALIZATION**  
16 **GRANTS AND AWARDS OR OTHER FEDERAL ASSISTANCE DEPOSITED TO THE**  
17 **WATER QUALITY FUND UNDER § 9-1605 OF THIS SUBTITLE AND THE DRINKING**  
18 **WATER LOAN FUND UNDER § 9-1605.1 OF THIS SUBTITLE.**

19 **(2) IF THE BALANCE OF THE FUND EXCEEDS THE AMOUNT OF**  
20 **FUNDS THAT ARE REQUIRED TO MATCH THE FEDERAL CAPITALIZATION GRANTS**  
21 **AND AWARDS IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION, THE**  
22 **FUND MAY BE USED TO:**

23 **(I) MAKE GRANTS FOR TECHNICAL ASSISTANCE AND**  
24 **TRAINING TO ASSIST SMALL PUBLIC SYSTEMS WITH REGULATORY COMPLIANCE,**  
25 **FINANCIAL MANAGEMENT, AND TECHNICAL OPERATIONS;**

26 **(II) MAKE GRANTS FOR WATER SUPPLY AND WASTEWATER**  
27 **INFRASTRUCTURE RESEARCH AND DEVELOPMENT AT PUBLIC COLLEGES AND**  
28 **UNIVERSITIES IN THE STATE; AND**

29 **(III) PROVIDE SCHOLARSHIPS FOR OPERATORS OF**  
30 **PUBLICLY OWNED WATER SUPPLY AND WASTEWATER SYSTEMS TO ATTEND**  
31 **REQUIRED TRAINING AND CERTIFICATION WORKSHOPS.**

