M3 (PRE–FILED)

By: Senator Kittleman

Requested: September 4, 2013

Introduced and read first time: January 8, 2014

Assigned to: Education, Health, and Environmental Affairs and Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

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Stormwater Management – Watershed Protection and Restoration Program – Repeal

FOR the purpose of repealing certain provisions of law requiring that, on or before a certain date, a county or municipality subject to a certain municipal stormwater permit adopt and implement laws or ordinances to establish a watershed protection and restoration program; repealing the requirement that a county or municipality maintain or administer a local watershed protection and restoration fund in accordance with certain provisions of law; repealing the requirement that a county or municipality establish and annually collect a stormwater remediation fee in accordance with certain provisions of law; repealing the requirement that a county or municipality establish certain policies and procedures to reduce a certain stormwater remediation fee to account for certain measures; repealing certain provisions of law relating to the prohibition against the assessment of a stormwater remediation fee on a property by both a county and a municipality; repealing the requirement that a county or municipality determine the method, frequency, and enforcement of the collection of the stormwater remediation fee; repealing the requirement that certain money be deposited in a local watershed protection and restoration fund; repealing certain provisions of law relating to the uses of money in a local watershed protection and restoration fund; repealing the requirement that a county or municipality make publicly available a certain report beginning on a certain date; repealing the requirement that a county or municipality establish a certain hardship exemption program; repealing the authorization of the Department of the Environment to adopt certain regulations; altering the definition of a certain term; repealing the definition of a certain term; and generally relating to stormwater management in the State.

BY repealing and reenacting, with amendments,

Article – Environment



4lr0464

CF 4lr0690

1 2 3	Section 4–201.1 Annotated Code of Maryland (2007 Replacement Volume and 2013 Supplement)
4 5 6 7 8	BY repealing Article – Environment Section 4–202.1 Annotated Code of Maryland (2007 Replacement Volume and 2013 Supplement)
9 10	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
11	Article – Environment
12	4–201.1.
13	(a) In this subtitle the following words have the meanings indicated.
14 15 16 17	(b) "Environmental site design" means using small-scale stormwater management practices, nonstructural techniques, and better site planning to mimic natural hydrologic runoff characteristics and minimize the impact of land development on water resources.
18	(c) "Environmental site design" includes:
19 20	(1) Optimizing conservation of natural features, such as drainage patterns, soils, and vegetation;
21 22	(2) Minimizing use of impervious surfaces, SUCH AS PAVED SURFACES, CONCRETE CHANNELS, ROOFS, AND PIPES;
23 24	(3) Slowing down runoff to maintain discharge timing and to increase infiltration and evapotranspiration; and
25 26	(4) Using other nonstructural practices or innovative stormwater management technologies approved by the Department.
27 28	[(d) (1) "Impervious surface" means a surface that does not allow stormwater to infiltrate into the ground.
29 30	(2) "Impervious surface" includes rooftops, driveways, sidewalks, or pavement.]
31	[4-202.1.

- (a) (1) Except as provided in paragraph (2) of this subsection, this section applies to a county or municipality that is subject to a national pollutant discharge elimination system Phase I municipal separate storm sewer system permit.
 - (2) This section does not apply to a county or municipality that, on or before July 1, 2012, has enacted and implemented a system of charges under § 4–204 of this subtitle for the purpose of funding a watershed protection and restoration program, or similar program, in a manner consistent with the requirements of this section.
- 9 (b) On or before July 1, 2013, a county or municipality shall adopt and 10 implement local laws or ordinances necessary to establish a watershed protection and 11 restoration program.
- 12 (c) A watershed protection and restoration program established under this section shall include:
 - (1) A stormwater remediation fee; and

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- 15 (2) A local watershed protection and restoration fund.
- 16 (d) (1) A county or municipality shall maintain or administer a local watershed protection and restoration fund in accordance with this section.
- 18 (2) The purpose of a local watershed protection and restoration fund is 19 to provide financial assistance for the implementation of local stormwater 20 management plans through stormwater management practices and stream and 21 wetland restoration activities.
 - (e) (1) Except as provided in paragraph (2) of this subsection and subsection (f) of this section, a county or municipality shall establish and annually collect a stormwater remediation fee from owners of property located within the county or municipality in accordance with this section.
 - (2) Property owned by the State, a unit of State government, a county, a municipality, or a regularly organized volunteer fire department that is used for public purposes may not be charged a stormwater remediation fee under this section.
- (3) (i) A county or municipality shall set a stormwater remediation fee for property in an amount that is based on the share of stormwater management services related to the property and provided by the county or municipality.
- 32 (ii) A county or municipality may set a stormwater remediation 33 fee under this paragraph based on:

- 1 2.An amount that is graduated, based on the amount of 2 impervious surface on each property; or 3 3. Another method of calculation selected by the county 4 or municipality. 5 A stormwater remediation fee established under this section is 6 separate from any charges that a county or municipality establishes related to 7 stormwater management for new developments under § 4-204 of this subtitle, 8 including fees for permitting, review of stormwater management plans, inspections, or 9 monitoring. 10 (f) A county or municipality shall establish policies and procedures, approved by the Department, to reduce any portion of a stormwater remediation fee 11 12 established under subsection (e) of this section to account for on-site and off-site systems, facilities, services, or activities that reduce the quantity or improve the 13 14 quality of stormwater discharged from the property. 15 The policies and procedures established by a county or (2)municipality under paragraph (1) of this subsection shall include: 16 17 (i) Guidelines for determining which on–site systems, facilities, services, or activities may be the basis for a fee reduction, including guidelines: 18 19 1. Relating to properties with existing advanced 20 stormwater best management practices; 212. Relating to agricultural activities or facilities that are 22otherwise exempted from stormwater management requirements by the county or 23municipality; and 243. That account for the costs of, and the level of 25treatment provided by, stormwater management facilities that are funded and 26 maintained by a property owner;
- 27 (ii) The method for calculating the amount of a fee reduction;

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- 29 (iii) Procedures for monitoring and verifying the effectiveness of 30 the on-site systems, facilities, services, or activities in reducing the quantity or 31 improving the quality of stormwater discharged from the property.
- 32 (3) For the purpose of monitoring and verifying the effectiveness of on–site systems, facilities, services, or activities under paragraph (2)(iii) of this subsection, a county or municipality may:
 - (i) Conduct on–site inspections;

1 2	(ii) Authorize a third party, certified by the Department, to conduct on–site inspections on behalf of the county or municipality; or
3 4 5 6	(iii) Require a property owner to hire a third party, certified by the Department, to conduct an on-site inspection and provide to the county or municipality the results of the inspection and any other information required by the county or municipality.
7 8	(g) (1) A property may not be assessed a stormwater remediation fee by both a county and a municipality.
9 10	(2) (i) Before a county may impose a stormwater remediation fee on a property located within a municipality, the county shall:
11 12	1. Notify the municipality of the county's intent to impose a stormwater remediation fee on property located within the municipality; and
13 14 15	2. Provide the municipality reasonable time to pass an ordinance authorizing the imposition of a municipal stormwater remediation fee instead of a county stormwater remediation fee.
16 17 18 19	(ii) If a county currently imposes a stormwater remediation fee on property located within a municipality and the municipality decides to implement its own stormwater remediation fee under this section or § 4–204 of this subtitle, the municipality shall:
20 21	1. Notify the county of the municipality's intent to impose its own stormwater remediation fee; and
22 23 24	2. Provide the county reasonable time to discontinue the collection of the county stormwater remediation fee within the municipality before the municipality's stormwater remediation fee becomes effective.
25 26	(3) A county or municipality shall establish a procedure for a property owner to appeal a stormwater remediation fee imposed under this section.
27 28	(h) (1) A county or municipality shall determine the method, frequency, and enforcement of the collection of the stormwater remediation fee.
29 30	(2) A county or municipality shall deposit the stormwater remediation fees it collects into its local watershed protection and restoration fund.
31	(3) There shall be deposited in a local watershed protection and

(i) Funds received from the stormwater remediation fee;

restoration fund:

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$\frac{1}{2}$	(ii) Interest or other income earned on the investment of money in the local watershed protection and restoration fund; and
3 4 5	(iii) Any additional money made available from any sources for the purposes for which the local watershed protection and restoration fund has been established.
6 7 8	(4) Subject to paragraph (5) of this subsection, a county or municipality shall use the money in its local watershed protection and restoration fund for the following purposes only:
9 10	(i) Capital improvements for stormwater management, including stream and wetland restoration projects;
11 12	(ii) Operation and maintenance of stormwater management systems and facilities;
13 14	(iii) Public education and outreach relating to stormwater management or stream and wetland restoration;
15	(iv) Stormwater management planning, including:
16	1. Mapping and assessment of impervious surfaces; and
17 18	2. Monitoring, inspection, and enforcement activities to carry out the purposes of the watershed protection and restoration fund;
19 20 21	(v) To the extent that fees imposed under § 4–204 of this subtitle are deposited into the local watershed protection and restoration fund, review of stormwater management plans and permit applications for new development;
22 23	(vi) Grants to nonprofit organizations for up to 100% of a project's costs for watershed restoration and rehabilitation projects relating to:
24 25	1. Planning, design, and construction of stormwater management practices;
26	2. Stream and wetland restoration; and
27 28	3. Public education and outreach related to stormwater management or stream and wetland restoration; and
29 30	(vii) Reasonable costs necessary to administer the local watershed protection and restoration fund.

1	(5) A county or municipality may use its local watershed protection
2	and restoration fund as an environmental fund, and may deposit to and expend from
3	the fund additional money made available from other sources and dedicated to
4	environmental uses, provided that the funds received from the stormwater
5	remediation fee are expended only for the purposes authorized under paragraph (4) of
6	this subsection.

- 7 (6) The funds disbursed under this subsection are intended to be in 8 addition to any existing State or local expenditures for stormwater management.
- 9 (7) Money in a local watershed protection and restoration fund may 10 not revert or be transferred to the general fund of any county or municipality.
- 11 (i) Beginning July 1, 2014, and every 2 years thereafter, a county or 12 municipality shall make publicly available a report on:

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- (1) The number of properties subject to a stormwater remediation fee;
- 14 (2) The amount of money deposited into the watershed protection and 15 restoration fund over the previous 2 fiscal years; and
- 16 (3) The percentage of funds in the local watershed protection and restoration fund spent on each of the purposes provided in subsection (h)(4) of this section.
- 19 (j) (1) A county or municipality shall establish a program to exempt from 20 the requirements of this section a property able to demonstrate substantial financial 21 hardship as a result of the stormwater remediation fee.
- 22 (2) A county or municipality may establish a separate hardship 23 exemption program or include a hardship exemption as part of a system of offsets 24 established under subsection (f)(1) of this section.
- 25 (k) The Department may adopt regulations to implement and enforce this 26 section.]
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2014.