SB0863/484333/1

BY: Education, Health, and Environmental Affairs Committee

<u>AMENDMENTS TO SENATE BILL 863</u> (First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike "and Zirkin" and substitute "<u>Zirkin,</u> <u>Simonaire, Young, and Rosapepe</u>"; in line 5, after "program;" insert "<u>exempting a certain</u> <u>county from certain provisions of this Act</u>;"; in line 8, strike "and a certain fund"; strike beginning with "and" in line 9 down through "requirements" in line 12; in line 15, after "fee;" insert "<u>requiring a county that includes the cost of stormwater remediation in the</u> <u>county's capital budget or operating budget to meet with each municipality within its</u> <u>jurisdiction to mutually agree that the county will take a certain action;</u>"; in line 18, after "circumstances;" insert "<u>authorizing a county or municipality to charge a</u> <u>stormwater remediation fee to certain properties only under certain circumstances</u>;"; strike beginning with "establishing" in line 20 down through "organizations;" in line 21; and strike beginning with "prohibiting" in line 26 down through the second "certain" in line 27.

On page 2, in line 1, strike "date;"; in line 3, after "date;" insert "<u>requiring that a</u> <u>financial assurance plan demonstrate certain funding capacity; requiring the</u> <u>Department to hold a public hearing within a certain number of days of a certain filing;</u> <u>requiring the Department to make a decision whether the financial assurance plan</u> <u>demonstrates sufficient funding within a certain number of days of a certain filing;</u> <u>prohibiting a county or municipality from receiving certain funding if the Department</u> <u>makes a certain determination;</u>"; in line 9, after "plan;" insert "<u>prohibiting a certain</u> <u>county from imposing a certain charge to a certain veterans' organization and a certain</u> <u>volunteer fire department under certain circumstances; authorizing the State or a unit</u> <u>of State government in a certain county to be charged a certain charge by a certain</u> <u>county under certain circumstances; authorizing a certain county to</u> <u>establish a certain hardship program or include a hardship exemption as part of a</u>

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system of offsets; authorizing a certain county to impose a certain charge on certain properties under certain circumstances;"; and after line 18, insert:

"BY repealing and reenacting, without amendments,

<u>Article – Environment</u> <u>Section 4-204(d)</u> <u>Annotated Code of Maryland</u> (2013 Replacement Volume and 2014 Supplement)

<u>BY adding to</u>

<u>Article – Environment</u> <u>Section 4-204(e)</u> <u>Annotated Code of Maryland</u> (2013 Replacement Volume and 2014 Supplement)".

AMENDMENT NO. 2

On page 2, in line 34, strike "paragraph" and substitute "<u>PARAGRAPHS</u>"; in the same line, after "(2)" insert "<u>AND (3)</u>".

On page 3, after line 2, insert:

"(3) <u>Except as provided in subsection (J) of this section,</u> <u>This section does not apply in Montgomery County.</u>";

in line 3, strike the second set of brackets; in the same line, strike "MAY"; in line 7, strike "MAY include"; in line 8, strike "A" and substitute "<u>MAY INCLUDE A</u>"; in line 9, strike "A" and substitute "<u>SHALL INCLUDE A</u>"; in line 10, strike the brackets; in the same line, strike "MAY"; in line 15, after "(1)" insert "(1)"; and after line 18, insert:

"(II) IF A COUNTY INCLUDES THE COST OF STORMWATER REMEDIATION IN THE COUNTY'S CAPITAL BUDGET OR OPERATING BUDGET, THE

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<u>COUNTY SHALL MEET WITH EACH MUNICIPALITY WITHIN ITS JURISDICTION TO</u> <u>MUTUALLY AGREE THAT THE COUNTY WILL:</u>

<u>1. Assume responsibility for the</u> <u>MUNICIPALITY'S STORMWATER REMEDIATION OBLIGATIONS; OR</u>

2. FOR A MUNICIPALITY THAT HAS ESTABLISHED A STORMWATER REMEDIATION FEE UNDER THIS SECTION, ADJUST THE COUNTY TAX RATE WITHIN THE MUNICIPALITY TO OFFSET THE STORMWATER REMEDIATION FEE CHARGED BY THE MUNICIPALITY.";

in line 19, strike "SUBPARAGRAPH" and substitute "<u>SUBPARAGRAPHS</u>"; and in the same line, after "(II)" insert "<u>AND (III)</u>".

AMENDMENT NO. 3

On page 4, strike beginning with "THE" in line 8 down through "COUNTY" in line 12 and substitute "<u>A COUNTY OR MUNICIPALITY MAY CHARGE A STORMWATER</u> <u>REMEDIATION FEE TO PROPERTY OWNED BY A VETERANS' ORGANIZATION THAT</u> <u>IS EXEMPT FROM TAXATION UNDER § 501(C)(4) OR (19) OF THE INTERNAL</u> <u>REVENUE CODE OR A REGULARLY ORGANIZED VOLUNTEER FIRE DEPARTMENT</u> <u>IF:</u>

1. <u>The county or municipality determines</u> <u>That the creation of a nondiscriminatory program for applying the</u> <u>stormwater remediation fee to federal properties under the</u> <u>federal facilities pollution control section of the Clean Water Act</u> <u>is necessary in order for the county or municipality to receive</u> <u>federal funding for stormwater remediation; and</u> SB0863/484333/1 Amendments to SB 863 Page 4 of 9

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2. <u>A VETERANS' ORGANIZATION THAT IS EXEMPT</u> FROM TAXATION UNDER § 501(C)(4) OR (19) OF THE INTERNAL REVENUE CODE AND A REGULARLY ORGANIZED VOLUNTEER FIRE DEPARTMENT THAT IS USED FOR PUBLIC PURPOSES ARE PROVIDED WITH THE OPPORTUNITY TO APPLY FOR AN ALTERNATE COMPLIANCE PLAN ESTABLISHED UNDER SUBSECTION (K)(3) OF THIS SECTION INSTEAD OF PAYING A STORMWATER REMEDIATION FEE CHARGED BY A COUNTY OR MUNICIPALITY UNDER ITEM 1 OF THIS SUBPARAGRAPH".

AMENDMENT NO. 4

On page 4, in line 13, strike the brackets; in the same line, strike "SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, A"; strike in their entirety lines 24 through 28, inclusive; in line 29, strike the first set of brackets; and in the same line, strike "(5)".

AMENDMENT NO. 5

On page 6, in line 26, after "REQUIREMENTS" insert "<u>. THE FEDERAL</u> REQUIREMENTS ARE DESIGNED TO PREVENT LOCAL SOURCES OF POLLUTION FROM REACHING LOCAL WATERWAYS.".

AMENDMENT NO. 6

On page 8, strike beginning with "AND" in line 7 down through "2013" in line 9; strike beginning with "AND" in line 19 down through "ARTICLE" in line 20; in line 26, after "COUNTY" insert ", INCLUDING MONTGOMERY COUNTY,"; in line 32, after "(II)" insert "PROJECTED ANNUAL AND 5-YEAR COSTS FOR THE COUNTY OR MUNICIPALITY TO MEET THE IMPERVIOUS SURFACE RESTORATION PLAN REQUIREMENTS OF ITS NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PHASE I MUNICIPAL SEPARATE STORM SEWER SYSTEM PERMIT;

(III) PROJECTED ANNUAL AND 5-YEAR REVENUES OR OTHER FUNDS THAT WILL BE USED TO MEET THE COSTS FOR THE COUNTY OR MUNICIPALITY TO MEET THE IMPERVIOUS SURFACE RESTORATION PLAN

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<u>REQUIREMENTS OF ITS NATIONAL POLLUTANT DISCHARGE ELIMINATION</u> <u>SYSTEM PHASE I MUNICIPAL SEPARATE STORM SEWER SYSTEM PERMIT;</u>

<u>(IV)</u>".

On page 9, in line 3, strike "(III)" and substitute "<u>(V)</u>"; in the same line, strike "PLANS" and substitute "<u>ACTIONS AND EXPENDITURES</u>"; in lines 3 and 4, strike "WILL IMPLEMENT" and substitute "<u>IMPLEMENTED IN THE PREVIOUS FISCAL YEAR</u>"; in the same line, after "ITS" insert "<u>IMPERVIOUS SURFACE RESTORATION PLAN</u>"; in line 7, after "(2)" insert "<u>A FINANCIAL ASSURANCE PLAN SHALL DEMONSTRATE THAT THE COUNTY OR MUNICIPALITY HAS SUFFICIENT FUNDING IN THE CURRENT FISCAL YEAR BUDGET TO MEET ITS ESTIMATED ANNUAL COSTS.</u>

(3) <u>THE DEPARTMENT SHALL HOLD A PUBLIC HEARING WITHIN 30</u> DAYS AFTER THE COUNTY OR MUNICIPALITY FILED THE FINANCIAL ASSURANCE PLAN WITH THE DEPARTMENT.

(4) THE DEPARTMENT SHALL MAKE A DECISION WHETHER THE FINANCIAL ASSURANCE PLAN DEMONSTRATES SUFFICIENT FUNDING WITHIN 90 DAYS AFTER THE COUNTY OR MUNICIPALITY FILED THE FINANCIAL ASSURANCE PLAN WITH THE DEPARTMENT.

(5) IF THE DEPARTMENT DETERMINES THAT THE FUNDING IN THE FINANCIAL ASSURANCE PLAN IS INSUFFICIENT TO MEET THE PROJECTED ANNUAL COSTS OF COMPLIANCE WITH A COUNTY'S OR MUNICIPALITY'S NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PHASE I MUNICIPAL SEPARATE STORM SEWER SYSTEM PERMIT, THE COUNTY OR MUNICIPALITY MAY NOT RECEIVE STATE FUNDING, ASSURANCES, GUARANTEES, GRANT PAYMENTS, CREDITS, TAX CREDITS, OR OTHER ASSISTANCE FOR ANY PROJECT FROM: SB0863/484333/1 Amendments to SB 863 Page 6 of 9

(I) THE WATER POLLUTION CONTROL FUND, ESTABLISHED UNDER § 9-345 OF THIS ARTICLE;

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(II) THE WATER SUPPLY FINANCIAL ASSISTANCE PROGRAM, ESTABLISHED UNDER § 9-420 OF THIS ARTICLE;

(III) THE WATER QUALITY REVOLVING LOAN FUND, ESTABLISHED UNDER § 9-1605 OF THIS ARTICLE;

(IV) THE BAY RESTORATION FUND, ESTABLISHED UNDER § 9-1605.2 OF THIS ARTICLE;

(V) <u>THE CHESAPEAKE AND ATLANTIC COASTAL BAYS</u> <u>NONPOINT SOURCE FUND, ESTABLISHED UNDER § 9-1605.3 OF THIS ARTICLE;</u> <u>OR</u>

(VI) <u>THE CHESAPEAKE AND ATLANTIC COASTAL BAYS 2010</u> <u>TRUST FUND, ESTABLISHED UNDER § 8-2A-02 OF THE NATURAL RESOURCES</u> <u>ARTICLE.</u>

<u>(6)</u>";

in line 10, strike "(3)" and substitute "(7)"; and in line 18, strike the second "a" and substitute "<u>ANY</u>".

AMENDMENT NO. 7

On page 9, after line 34, insert:

"<u>4–204.</u>

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(d) (1) Each governing body of a county or municipality may adopt a system of charges to fund the implementation of stormwater management programs, including the following:

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- (i) <u>Reviewing stormwater management plans;</u>
- (ii) Inspection and enforcement activities;
- (iii) <u>Watershed planning</u>;

(iv) <u>Planning</u>, design, land acquisition, and construction of stormwater management systems and structures;

- (v) <u>Retrofitting developed areas for pollution control;</u>
- (vi) <u>Water quality monitoring and water quality programs;</u>
- (vii) Operation and maintenance of facilities; and
- (viii) Program development of these activities.

(2) The charges shall take effect upon enactment by the local governing body.

(3) The charges may be collected in the same manner as county and municipal property taxes, have the same priority, and bear the same interest and penalties.

(E) (1) THIS SUBSECTION APPLIES TO A SYSTEM OF CHARGES ESTABLISHED BY MONTGOMERY COUNTY UNDER SUBSECTION (D) OF THIS SECTION.

(Over)

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(2) EXCEPT AS PROVIDED IN PARAGRAPH (5) OF THIS SUBSECTION, THE COUNTY MAY NOT IMPOSE THE CHARGE ESTABLISHED UNDER THIS SECTION ON A VETERANS' ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(4) OR (19) OF THE INTERNAL REVENUE CODE OR A REGULARLY ORGANIZED VOLUNTEER FIRE DEPARTMENT THAT IS USED FOR PUBLIC PURPOSES.

(3) PROPERTY OWNED BY THE STATE OR A UNIT OF STATE GOVERNMENT IN THE COUNTY MAY BE CHARGED UNDER THE SYSTEM OF CHARGES ADOPTED BY THE COUNTY UNDER THIS SECTION IF:

(I) THE STATE AND THE COUNTY AGREE TO THE COLLECTION OF THE CHARGE FROM THE STATE THAT IS BASED ON THE SHARE OF STORMWATER MANAGEMENT SERVICES RELATED TO STATE PROPERTY LOCATED WITHIN THE COUNTY;

(II) THE COUNTY AGREES TO APPROPRIATE INTO ITS OWN LOCAL WATERSHED PROTECTION AND RESTORATION FUND, ON AN ANNUAL BASIS, AN AMOUNT OF MONEY THAT IS BASED ON THE SHARE OF STORMWATER MANAGEMENT SERVICES RELATED TO COUNTY PROPERTY ON AN ANNUAL BASIS; AND

(III) THE COUNTY DEMONSTRATES TO THE DEPARTMENT'S SATISFACTION THAT THE CHARGE COLLECTED UNDER ITEM (I) OF THIS PARAGRAPH AND THE MONEY APPROPRIATED UNDER ITEM (II) OF THIS PARAGRAPH WERE DEPOSITED INTO THE COUNTY'S LOCAL WATERSHED PROTECTION AND RESTORATION FUND.

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(4) (1) THE COUNTY MAY ESTABLISH A PROGRAM TO EXEMPT FROM THE SYSTEM OF CHARGES ADOPTED UNDER THIS SECTION A PROPERTY WHOSE OWNER IS ABLE TO DEMONSTRATE SUBSTANTIAL FINANCIAL HARDSHIP.

(II) THE COUNTY MAY ESTABLISH A SEPARATE HARDSHIP EXEMPTION PROGRAM OR INCLUDE A HARDSHIP EXEMPTION AS PART OF A SYSTEM OF OFFSETS TO ACCOUNT FOR ON-SITE AND OFF-SITE SYSTEMS, FACILITIES, SERVICES, OR ACTIVITIES THAT REDUCE THE QUANTITY OR IMPROVE THE QUALITY OF STORM WATER DISCHARGED FROM THE PROPERTY.

(5) THE COUNTY MAY IMPOSE THE CHARGE ESTABLISHED UNDER THIS SECTION ON PROPERTY OWNED BY A VETERAN'S ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(4) OR (19) OF THE INTERNAL REVENUE CODE OR A REGULARLY ORGANIZED VOLUNTEER FIRE DEPARTMENT IF:

(I) THE COUNTY DETERMINES THAT THE CREATION OF A NONDISCRIMINATORY PROGRAM FOR APPLYING THE CHARGE TO FEDERAL PROPERTIES UNDER THE FEDERAL FACILITIES POLLUTION CONTROL SECTION OF THE CLEAN WATER ACT IS NECESSARY IN ORDER FOR THE COUNTY TO RECEIVE FEDERAL FUNDING FOR STORMWATER REMEDIATION; AND

(II) <u>A VETERANS' ORGANIZATION THAT IS EXEMPT FROM</u> TAXATION UNDER § 501(C)(4) OR (19) OF THE INTERNAL REVENUE CODE AND A REGULARLY ORGANIZED VOLUNTEER FIRE DEPARTMENT THAT IS USED FOR PUBLIC PURPOSES ARE PROVIDED WITH THE OPPORTUNITY TO APPLY FOR AN ALTERNATE COMPLIANCE PLAN ESTABLISHED UNDER § 4-202.1(K)(3) OF THIS SUBTITLE INSTEAD OF PAYING A CHARGE IMPOSED BY THE COUNTY UNDER ITEM (I) OF THIS PARAGRAPH.".