

HOUSE BILL 1560

L2

8lr2992

By: Delegates M. Washington, Ali, Conaway, Gibson, Glenn, Hayes, Lierman,
McCray, and Mosby

Introduced and read first time: February 9, 2018

Assigned to: Environment and Transportation

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 25, 2018

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City Department of Public Works – Water and Sewer Bill Dispute**
3 **Process, Billing Program Review, and Report**

4 FOR the purpose of requiring the Baltimore City Department of Public Works to establish
5 a certain administrative review process for certain customer claims; requiring the
6 Department to designate a third party to review and render a final decision on each
7 claim; authorizing the Department to designate the Environmental Control Board of
8 Baltimore City to serve as the third party; authorizing the filing of a petition for
9 judicial review under certain circumstances; requiring the Department to publish
10 certain information regarding the administrative review process on the
11 Department’s website in a certain manner; requiring the Department to periodically
12 review the Department’s water and sewer billing program; requiring the
13 Department, as a part of the review required under this Act, to establish a certain
14 quality assurance and quality control committee; requiring the quality assurance
15 and quality control committee to make certain recommendations to the Director of
16 the Department or the Director’s designee; ~~establishing a certain Dispute Resolving~~
17 ~~Board in the Baltimore City Department of Public Works; providing for the~~
18 ~~appointment, terms, and duties of members of the Board; requiring the Board to~~
19 ~~review and make determinations on certain disputed unpaid bill claims; providing~~
20 ~~for the process of filing a certain claim; providing that certain persons are not eligible~~
21 ~~to file a certain claim under certain circumstances; requiring the Customer Support~~
22 ~~and Services Division of the Department to prepare a certain response, forward a~~
23 ~~certain claim to the Board, and suspend collection efforts on certain disputed bills~~
24 ~~under certain circumstances; requiring the Board to meet at certain times, requiring~~

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.



~~the Board to follow certain policies and procedures when making a certain decision or bill adjustments; providing that the decision of the Board is the final Department decision on unpaid bill claims; requiring that a certain bill is due for payment within a certain time following the Board's decision; authorizing a person to pay a disputed bill and file a claim for a refund under certain circumstances; authorizing certain persons to file a certain written claim with the Department for a certain refund; requiring the Department to investigate the merits of a certain claim and hold a hearing under certain circumstances; requiring a claim to be disallowed unless it is filed within a certain time period; requiring the Department to pay interest on a certain amount refunded under certain circumstances; providing that the failure of the Department to reach a final decision on a certain claim within a certain time is deemed a rejection of the claim; authorizing the filing of a petition for judicial review under certain circumstances; authorizing the Department to refund a certain amount after a certain determination; requiring the Department to conduct a certain study; setting forth the purpose and required contents of a certain study; requiring the Department to report its interim findings to the General Assembly and the members of the Baltimore City delegation to the General Assembly on or before a certain date; requiring the Department to submit its final report to the General Assembly and the members of the Baltimore City delegation to the General Assembly on or before a certain date; defining certain terms; providing for the termination of certain provisions of this Act; and generally relating to the water and sewer service and billing of the Baltimore City Department of Public Works.~~

BY adding to

The Charter of Baltimore City
 Article II – General Powers
 Section (70) and (71)
 Annotated Code of Maryland
 (2007 Replacement Volume, as amended)

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

The Charter of Baltimore City

Article II – General Powers

The Mayor and City Council of Baltimore shall have full power and authority to exercise all of the powers heretofore or hereafter granted to it by the Constitution of Maryland or by any Public General or Public Local Laws of the State of Maryland; and in particular, without limitation upon the foregoing, shall have power by ordinance, or such other method as may be provided for in its Charter, subject to the provisions of said Constitution and Public General Laws:

(70)

1 **(A) IN THIS SECTION, "DEPARTMENT" MEANS THE BALTIMORE CITY**
2 **DEPARTMENT OF PUBLIC WORKS.**

3 **(B) (1) THE DEPARTMENT SHALL ESTABLISH A FORMAL**
4 **ADMINISTRATIVE REVIEW PROCESS BY WHICH A CUSTOMER MAY FILE A CLAIM FOR**
5 **REVIEW OF THE CUSTOMER'S BILL.**

6 **(2) (I) THE DEPARTMENT SHALL DESIGNATE A THIRD PARTY TO**
7 **REVIEW AND RENDER A FINAL DECISION ON EACH CLAIM.**

8 **(II) THE DEPARTMENT MAY DESIGNATE THE ENVIRONMENTAL**
9 **CONTROL BOARD OF BALTIMORE CITY TO SERVE AS THE THIRD PARTY.**

10 **(3) WITHIN 30 DAYS AFTER THE DATE A FINAL DECISION IS**
11 **RENDERED ON A CLAIM BY THE THIRD PARTY DESIGNATED UNDER PARAGRAPH (2)**
12 **OF THIS SUBSECTION, A PETITION FOR JUDICIAL REVIEW MAY BE FILED WITH THE**
13 **CIRCUIT COURT AS PROVIDED IN TITLE 7, CHAPTER 200 OF THE MARYLAND RULES.**

14 **(4) THE DEPARTMENT SHALL PUBLISH INFORMATION REGARDING**
15 **THE ADMINISTRATIVE REVIEW PROCESS ON THE DEPARTMENT'S WEBSITE IN A**
16 **READILY ACCESSIBLE LOCATION.**

17 **(C) (1) THE DEPARTMENT SHALL PERIODICALLY REVIEW THE**
18 **DEPARTMENT'S WATER AND SEWER BILLING PROGRAM, INCLUDING:**

19 **(I) THE DEPARTMENT'S BILLING POLICIES AND PROCEDURES;**

20 **(II) THE PERFORMANCE OF CUSTOMER SUPPORT AND SERVICES**
21 **PERSONNEL; AND**

22 **(III) QUALITY CONTROL PRACTICES, INCLUDING THE**
23 **DEPARTMENT'S REVIEW OF RANDOMLY SELECTED BILLING DISPUTE CASES.**

24 **(2) (I) AS A PART OF THE REVIEW CONDUCTED UNDER**
25 **PARAGRAPH (1) OF THIS SUBSECTION, THE DEPARTMENT SHALL ESTABLISH A**
26 **QUALITY ASSURANCE AND QUALITY CONTROL COMMITTEE COMPOSED OF**
27 **EXPERIENCED PROFESSIONALS IN THE FIELD OF WATER METERING AND BILLING**
28 **SYSTEMS, BILLING ACCOUNT MANAGEMENT, AND CUSTOMER SERVICE.**

29 **(II) THE QUALITY ASSURANCE AND QUALITY CONTROL**
30 **COMMITTEE SHALL MAKE RECOMMENDATIONS TO THE DIRECTOR OF THE**
31 **DEPARTMENT, OR THE DIRECTOR'S DESIGNEE, FOR IMPROVEMENTS TO**
32 **PROCESSES, POLICIES, OR CUSTOMER SERVICES THAT COULD ADDRESS RECURRING**
33 **CUSTOMER CONCERNS OR DISPUTES.**

1 (A) (1) ~~IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS~~
2 ~~INDICATED.~~

3 (2) ~~“BOARD” MEANS THE DISPUTE RESOLVING BOARD IN THE~~
4 ~~DEPARTMENT.~~

5 (3) ~~“DEPARTMENT” MEANS THE DEPARTMENT OF PUBLIC WORKS.~~

6 (B) (1) ~~THERE IS A DISPUTE RESOLVING BOARD IN THE DEPARTMENT.~~

7 (2) (i) ~~THE BOARD CONSISTS OF TWO PANELS TO REVIEW AND~~
8 ~~MAKE A DETERMINATION ON CLAIMS REGARDING DISPUTED WATER AND SEWER~~
9 ~~BILLS.~~

10 (ii) ~~EACH PANEL CONSISTS OF THE FOLLOWING MEMBERS~~
11 ~~APPOINTED BY THE DIRECTOR OF THE DEPARTMENT:~~

12 1. ~~TWO CUSTOMER MEMBERS; AND~~

13 2. ~~ONE EMPLOYEE MEMBER.~~

14 (iii) ~~EACH EMPLOYEE MEMBER OF THE BOARD:~~

15 1. ~~SHALL HOLD A MANAGERIAL POSITION WITHIN THE~~
16 ~~DEPARTMENT; AND~~

17 2. ~~MAY NOT WORK IN THE CUSTOMER SUPPORT AND~~
18 ~~SERVICE DIVISION OF THE DEPARTMENT.~~

19 (iv) ~~THE TERM OF A MEMBER IS 2 YEARS.~~

20 (v) ~~EACH MEMBER OF THE BOARD SHALL COMPLETE A~~
21 ~~TRAINING PROGRAM REGARDING THE DEPARTMENT’S BILLING AND ADJUSTMENT~~
22 ~~PROCEDURES BEFORE RULING ON ANY CLAIM.~~

23 (3) (i) ~~A PERSON MAY FILE A CLAIM FOR REVIEW BY THE BOARD~~
24 ~~WITH THE CUSTOMER SUPPORT AND SERVICE DIVISION OF THE DEPARTMENT ON~~
25 ~~A FORM APPROVED BY THE DEPARTMENT:~~

26 1. ~~ONLY AFTER ATTEMPTING TO RESOLVE THE MATTER~~
27 ~~WITH THE CUSTOMER SUPPORT AND SERVICE DIVISION; AND~~

28 2. ~~WITHIN 60 DAYS AFTER THE METER READING DATE~~
29 ~~ON WHICH THE BILL IS BASED.~~

1 ~~(II) A PERSON IS NOT ELIGIBLE TO FILE A CLAIM FOR REVIEW~~
2 ~~BY THE BOARD IF, WITHIN THE PRECEDING 2 YEARS:~~

3 ~~1. THE PERSON HAS FILED TWO CLAIMS FOR REVIEW BY~~
4 ~~THE BOARD REGARDING THE SAME ACCOUNT; AND~~

5 ~~2. THE BOARD DENIED BOTH CLAIMS.~~

6 ~~(III) ON RECEIPT OF A CLAIM, THE CUSTOMER SUPPORT AND~~
7 ~~SERVICES DIVISION SHALL:~~

8 ~~1. PREPARE A RESPONSE;~~

9 ~~2. FORWARD THE CLAIM AND RESPONSE TO THE BOARD~~
10 ~~FOR REVIEW AND A DECISION; AND~~

11 ~~3. SUSPEND COLLECTION EFFORTS ON THE DISPUTED~~
12 ~~BILL UNTIL THE BOARD ISSUES ITS DECISION.~~

13 ~~(IV) 1. THE BOARD SHALL MEET AT LEAST ONCE A MONTH AT~~
14 ~~A REGULARLY SCHEDULED TIME AND PLACE, AS DETERMINED BY THE BOARD.~~

15 ~~2. THE BOARD SHALL REVIEW THE DISPUTED CLAIMS~~
16 ~~AND ISSUE A DECISION ON EACH CLAIM.~~

17 ~~3. IN REACHING A DECISION, THE BOARD:~~

18 ~~A. SHALL FOLLOW APPLICABLE~~
19 ~~DEPARTMENT APPROVED POLICIES AND PROCEDURES; AND~~

20 ~~B. MAY ONLY GRANT ADJUSTMENTS THAT ARE~~
21 ~~AUTHORIZED BY THE APPROVED POLICIES AND PROCEDURES.~~

22 ~~(V) THE BOARD'S DECISION SHALL BE THE FINAL~~
23 ~~DEPARTMENT DECISION ON UNPAID BILL CLAIMS.~~

24 ~~(VI) A BILL SUBJECT TO A CLAIM SHALL BE DUE FOR PAYMENT~~
25 ~~WITHIN 10 DAYS AFTER THE BOARD ISSUES ITS DECISION.~~

26 ~~(VII) A PERSON THAT IS NOT SATISFIED WITH THE DECISION OF~~
27 ~~THE BOARD MAY PAY THE DISPUTED BILL AND FILE A CLAIM FOR A REFUND IN~~
28 ~~ACCORDANCE WITH SUBSECTION (C) OF THIS SECTION.~~

~~(c) (1) (i) A PERSON MAY FILE A WRITTEN CLAIM WITH THE DEPARTMENT, IN A FORM AND CONTAINING THE INFORMATION AND SUPPORTING DOCUMENTS REQUIRED BY THE DEPARTMENT, FOR A REFUND OF THE AMOUNT OF A FEE OR CHARGE THE PERSON PAID TO THE DEPARTMENT THAT EXCEEDS THE AMOUNT THAT IS PROPERLY AND LEGALLY PAYABLE.~~

~~(ii) IF THE PROPERTY FOR WHICH THE FEE OR CHARGE WAS PAID HAS BEEN TRANSFERRED TO A NEW OWNER AFTER THE PAYMENT, THE NEW OWNER MAY FILE THE CLAIM FOR THE REFUND.~~

~~(2) (i) ON RECEIPT OF A CLAIM FOR A REFUND UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE DEPARTMENT SHALL INVESTIGATE THE MERITS OF THE CLAIM.~~

~~(ii) ON THE REQUEST OF THE CLAIMANT, THE DEPARTMENT SHALL HOLD A HEARING ON THE CLAIM.~~

~~(iii) A CLAIM SHALL BE DISALLOWED UNLESS IT IS FILED WITHIN 3 YEARS AFTER THE DATE OF THE PAYMENT FOR WHICH THE REFUND IS REQUESTED.~~

~~(iv) THE DEPARTMENT SHALL PAY INTEREST ON ANY AMOUNT REFUNDED UNDER THIS SECTION, CALCULATED AT THE RATE OF 6% PER YEAR, STARTING 180 DAYS FROM THE DATE THE CLAIM WAS MADE.~~

~~(3) IF THE DEPARTMENT FAILS TO REACH A FINAL DECISION ON A CLAIM WITHIN 180 DAYS AFTER THE DATE THE CLAIM IS FILED, THE FAILURE SHALL BE DEEMED A FINAL REJECTION OF THE CLAIM.~~

~~(4) WITHIN 30 DAYS AFTER THE DATE OF FINAL ACTION BY THE DEPARTMENT ON A CLAIM FOR A REFUND FILED UNDER PARAGRAPH (1) OF THIS SUBSECTION, A PETITION FOR JUDICIAL REVIEW MAY BE FILED WITH THE CIRCUIT COURT AS PROVIDED IN TITLE 7, CHAPTER 200 OF THE MARYLAND RULES.~~

~~(5) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBSECTION, THE DEPARTMENT MAY REFUND A PAYMENT THAT THE DEPARTMENT DETERMINES WAS PAID IN EXCESS OF THE AMOUNT THAT WAS PROPERLY AND LEGALLY PAYABLE, WHETHER OR NOT THE PERSON WHO MADE THE PAYMENT FILES A CLAIM FOR A REFUND.~~

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

The Charter of Baltimore City

Article II – General Powers

The Mayor and City Council of Baltimore shall have full power and authority to exercise all of the powers heretofore or hereafter granted to it by the Constitution of Maryland or by any Public General or Public Local Laws of the State of Maryland; and in particular, without limitation upon the foregoing, shall have power by ordinance, or such other method as may be provided for in its Charter, subject to the provisions of said Constitution and Public General Laws:

(71)

(A) THE BALTIMORE CITY DEPARTMENT OF PUBLIC WORKS SHALL STUDY AND REPORT ON THE ACCESSIBILITY ~~AND AFFORDABILITY~~ OF PUBLICALLY PROVIDED WATER AND SEWER SERVICES FOR ~~VULNERABLE~~ RESIDENTS OF THE CITY.

(B) THE STUDY SHALL IDENTIFY AND REVIEW:

(1) THE DEMOGRAPHICS OF THE CUSTOMERS OF THE DEPARTMENT OF PUBLIC WORKS, INCLUDING SINGLE-FAMILY AND MULTIFAMILY RESIDENTIAL CUSTOMERS AND COMMERCIAL CUSTOMERS;

(2) THE SCALE AND EXTENT OF DELINQUENT WATER AND SEWER ACCOUNTS AND SERVICE DISCONNECTIONS FOR NONPAYMENT, INCLUDING THE NUMBER OF DISCONNECTIONS EXPERIENCED BY ~~HOUSEHOLDS CONTAINING CHILDREN, ELDERLY INDIVIDUALS, DISABLED INDIVIDUALS, CHRONICALLY ILL INDIVIDUALS, AND OTHER VULNERABLE POPULATIONS~~ OWNER-OCCUPIED HOUSEHOLDS, RENTAL HOUSEHOLDS, AND COMMERCIAL PROPERTIES, AS WELL AS INFORMATION ON HOUSEHOLDS IDENTIFIED AS ELDERLY, LOW-INCOME, OR DISABLED BASED ON THE HOUSEHOLDS' ENROLLMENT IN A DEPARTMENT OF PUBLIC WORKS ASSISTANCE PROGRAM;

(3) THE POLICIES AND PROCEDURES THAT RELATE TO DELINQUENT ACCOUNTS AND SERVICE DISCONNECTION;

(4) CUSTOMER SERVICE POLICIES AND PROCEDURES FOR ADDRESSING:

(I) CUSTOMER COMPLAINTS AND RESOLVING DISPUTES RELATING TO BILLING AND SERVICE DISCONNECTIONS; AND

(II) WATER LEAKS, INCLUDING ~~LEAKS THAT RESULT IN BILLS THAT REFLECT WATER CONSUMPTION THAT IS OUT OF PROPORTION WITH A CUSTOMER'S WATER CONSUMPTION HISTORY;~~ THE NUMBER OF PROPERTIES THAT

1 THE DEPARTMENT OF PUBLIC WORKS TESTS FOR LEAKS, THE NUMBER OF
 2 PROPERTIES FOUND BY THE DEPARTMENT TO HAVE LEAKS, AND WHETHER THE
 3 CITY OR THE PROPERTY OWNER WAS RESPONSIBLE FOR REPAIRING THE LEAKS;
 4 AND

5 (5) PAYMENT ASSISTANCE PROGRAMS AND ASSOCIATED DETAILED
 6 ELIGIBILITY QUALIFICATIONS, INCLUDING PROGRAMS THAT OFFER:

7 (I) BILL DISCOUNTS OR CREDITS;

8 (II) FLEXIBLE TERMS;

9 (III) RATE STRUCTURING;

10 (IV) TEMPORARY AND CRISIS ASSISTANCE;

11 (V) WATER EFFICIENCY MEASURES AND LEAK REPAIRS THAT
 12 ARE TESTED BY THE DEPARTMENT OF PUBLIC WORKS;

13 (VI) ASSISTANCE FOR SENIOR CITIZENS; AND

14 (VII) HARDSHIP OR MEDICAL EXEMPTIONS;

15 ~~(6) TO THE EXTENT POSSIBLE, THE NUMBER OF INDIVIDUALS OR~~
 16 ~~HOUSEHOLDS THAT DO NOT RECEIVE WATER OR SEWER SERVICES; AND~~

17 ~~(7) THE AFFORDABILITY POLICIES AND PROGRAMS OFFERED BY~~
 18 ~~OTHER UTILITIES, INCLUDING ELECTRIC AND GAS COMPANIES AND THE POTENTIAL~~
 19 ~~USE OF POLICIES AND PROGRAMS USED BY OTHER WATER COMPANIES.~~

20 (C) ON OR BEFORE DECEMBER 1, 2018, THE DEPARTMENT OF PUBLIC
 21 WORKS SHALL REPORT ITS INTERIM FINDINGS TO THE GENERAL ASSEMBLY AND
 22 THE MEMBERS OF THE BALTIMORE CITY DELEGATION TO THE GENERAL
 23 ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE.

24 (D) ON OR BEFORE JULY 1, 2019, THE DEPARTMENT OF PUBLIC WORKS
 25 SHALL SUBMIT ITS FINAL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH §
 26 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY AND THE
 27 MEMBERS OF THE BALTIMORE CITY DELEGATION TO THE GENERAL ASSEMBLY.

28 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
 29 October 1, 2018. Section 2 of this Act shall remain effective for a period of 1 year and, at
 30 the end of September 30, 2019, Section 2 of this Act, with no further action required by the
 31 General Assembly, shall be abrogated and of no further force and effect.