
By: Montgomery County and Prince George's County Delegations

Introduced and read first time: January 31, 1997

Assigned to: Commerce and Government Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Washington Suburban Sanitary Commission - System Development Charge**

3 **MC/PG 27-97**

4 FOR the purpose of altering the schedule for the payment of a system development
5 charge to the Washington Suburban Sanitary Commission (WSSC); establishing a
6 maximum system development charge per fixture unit by a certain date; establishing
7 a maximum system development charge based on the number of toilets per dwelling;
8 authorizing a change in the maximum system development charge on a certain date
9 and by a certain amount; defining a term; and generally relating to the system
10 development charge by the WSSC.

11 BY repealing and reenacting, with amendments,
12 Article 29 - Washington Suburban Sanitary District
13 Section 6-113
14 Annotated Code of Maryland
15 (1993 Replacement Volume and 1996 Supplement)

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

18 **Article 29 - Washington Suburban Sanitary District**

19 6-113.

20 (a) (1) In this section the following words have the meanings indicated.

21 (2) "Fixture unit" means the assigned value for a particular plumbing
22 fixture, or group of plumbing fixtures, as set forth in the WSSC plumbing and gas fitting
23 regulations, standardized with a common lavatory having an assigned value of 1 based on
24 its probable discharge into the drainage system or hydraulic demand on the water supply.

25 (3) "New service" means:

26 (i) A first time connection of a property to the WSSC water or sewer
27 system; or

28 (ii) A new connection or increased water meter size for a property
29 previously or currently served by the WSSC if the new connection or increased meter size

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1 is needed because of a change in the use of the property or an increase in demand for
2 service at the property.

3 (4) "TOILET" MEANS A WATER CLOSET, AS SET FORTH IN THE WSSC
4 PLUMBING AND GAS FITTING REGULATIONS.

5 (b) (1) Subject to the provisions of this section, in addition to any other charges
6 authorized under this article, the WSSC may impose a system development charge that
7 SHALL BE PAID BY an applicant for new service [shall pay at the time of filing a
8 plumbing permit application].

9 (2) THE SYSTEM DEVELOPMENT CHARGE SHALL BE PAID WITHIN 12
10 MONTHS AFTER THE DATE ON WHICH A PLUMBING PERMIT APPLICATION IS FILED
11 WITH THE COMMISSION OR PRIOR TO THE TRANSFER OF TITLE TO THE PROPERTY,
12 WHICHEVER OCCURS FIRST.

13 (3) AT THE TIME OF THE FILING OF THE PLUMBING PERMIT
14 APPLICATION, THE APPLICANT SHALL DEPOSIT WITH THE WSSC SECURITY, IN THE
15 FORM OF AN IRREVOCABLE LETTER OF CREDIT OR A FINANCIAL GUARANTY BOND
16 OR IN A FORM ESTABLISHED AND APPROVED BY THE WSSC UNDER ITS RULES AND
17 REGULATIONS.

18 (c) (1) (i) The Montgomery County Council and the Prince George's County
19 Council shall meet annually to discuss and approve the amount of the system
20 development charge.

21 (ii) The amount of the charge for a particular property shall be based
22 on:

23 1. [the] THE number of plumbing fixtures and the assigned
24 values for those fixtures as set forth in the WSSC plumbing and gas fitting regulations; OR

25 2. FOR RESIDENTIAL PROPERTIES, THE NUMBER OF
26 TOILETS PER DWELLING UNIT.

27 (iii) When establishing the charge under this section, the County
28 Councils shall identify and consider the actual cost of construction of WSSC facilities.

29 (iv) When establishing the charge under this section, under criteria
30 established jointly and agreed to by the County Councils, the County Councils:

31 1. Shall grant a full or partial exemption from the charge for
32 public sponsored or affordable housing as jointly defined and agreed upon by the County
33 Councils; and

34 2. May grant a full or partial exemption from the charge for
35 revitalization projects.

36 (v) [The charge may not exceed \$160 per fixture unit.] ON OR AFTER
37 JULY 1, 1997, THE CHARGE MAY NOT EXCEED \$254 PER FIXTURE UNIT. INSTEAD OF A
38 FIXTURE UNIT CHARGE FOR RESIDENTIAL PROPERTIES, THE CHARGE WILL BE
39 BASED ON THE NUMBER OF TOILETS PER DWELLING AS FOLLOWS:

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1 1. FOR EACH APARTMENT UNIT, THE CHARGE MAY NOT
2 EXCEED \$2,946;

3 2. FOR DWELLINGS WITH 2 OR FEWER TOILETS, THE
4 CHARGE MAY NOT \$3,861;

5 3. FOR DWELLINGS WITH 3 TO 4 TOILETS, THE CHARGE MAY
6 NOT EXCEED \$6,401; OR

7 4. FOR DWELLINGS WITH 5 OR MORE TOILETS, THE CHARGE
8 MAY NOT EXCEED \$8,941.

9 (VI) THE MAXIMUM CHARGE, AS ESTABLISHED IN SUBPARAGRAPH
10 (V) OF THIS PARAGRAPH, MAY ANNUALLY CHANGE ON JULY 1, OF SUCCEEDING
11 YEARS, BY AN AMOUNT EQUAL TO THE PRIOR CALENDAR YEAR'S CHANGE IN THE
12 CONSUMER PRICE INDEX PUBLISHED BY THE BUREAU OF LABOR STATISTICS OF THE
13 UNITED STATES DEPARTMENT OF LABOR FOR URBAN WAGE EARNERS AND
14 CLERICAL WORKERS FOR ALL ITEMS FOR THE WASHINGTON, D.C. METROPOLITAN
15 AREA, OR THE SUCCESSOR INDEX.

16 (2) If the charge established by the County Councils is less than the amount
17 necessary to recover the full cost of constructing growth related facilities, the WSSC shall
18 identify the portion of the cost of that growth that will be paid by current ratepayers as:

19 (i) A percentage of any rate increase; and

20 (ii) The annual monetary amount on a typical residential customer's
21 annual water and sewer bill.

22 (3) If the County Councils do not agree on the amount of the charge, the
23 charge imposed during the previous year shall continue in effect for the following fiscal
24 year.

25 (4) If the County Councils have not previously agreed on any system
26 development charge, a system development charge may not be imposed during that fiscal
27 year.

28 (5) (i) Before July 1, 1994, the WSSC may not impose a system
29 development charge in an amount greater than 50% of the charge established by the
30 County Councils under this subsection.

31 (ii) Before July 1, 1995, the WSSC may not impose a system
32 development charge greater than 75% of the charge established by the County Councils
33 under this subsection.

34 [(d) (1) In this subsection, "small builder" means a builder who applies for and
35 receives not more than 15 plumbing permits for residential properties from the WSSC
36 during a single calendar year.

37 (2) Subject to the provisions of paragraph (3) of this subsection, a small
38 builder may pay the system development charge in two payments as follows:

39 (i) One-half at the time of filing the plumbing permit application; and

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1 (ii) The remaining one-half within 12 months after the first payment
2 or prior to the transfer of title to the property, whichever occurs first.

3 (3) At the time of the first payment under this subsection, the small builder
4 shall deposit with the WSSC security for the second payment in an amount and form
5 established and approved by the WSSC under its rules and regulations.]

6 [(e)] (D) (1) The WSSC may only use the funds collected under the system
7 development charge to:

8 (i) Pay for new treatment, transmission, and collection facilities, the
9 need for which is directly attributable to the addition of new service, and the construction
10 of which began after July 1, 1993; or

11 (ii) Amortize any bond that is issued in connection with the
12 construction of those new facilities.

13 (2) Other costs of enhancement, maintenance, or environmental regulation
14 on existing or new systems shall be borne equally by all rate payers.

15 [(f)] (E) (1) The WSSC may allow a developer to design and construct any
16 on-site or off-site facilities necessary for a project of the developer, as long as those
17 facilities are in the WSSC Capital Improvement Program and the 10-year Comprehensive
18 Water Supply and Sewerage System Plan adopted by one of the County Councils, and are
19 designed, constructed, and inspected in accordance with:

20 (i) The standards utilized by the WSSC; and

21 (ii) All applicable laws, regulations, and written policies of the WSSC.

22 (2) After the WSSC approves facilities constructed by a developer under
23 this subsection, the WSSC shall:

24 (i) Accept the facilities as part of the WSSC system; and

25 (ii) Subject to the provisions of paragraph (3) of this subsection, grant
26 the developer a credit against any charge imposed under this section in an amount equal
27 to the cost of constructing those facilities.

28 (3) The internal auditor of the WSSC shall review and approve the costs
29 incurred by the developer.

30 (4) The WSSC and the developer shall enter into an agreement
31 incorporating the provisions of this subsection.

32 (5) If the WSSC rejects a developer's request to design and construct
33 facilities under this subsection, the WSSC shall submit to the developer a written
34 explanation of the reasons for the rejection.

35 (6) The WSSC shall submit a report at the end of each fiscal year to the
36 House and Senate Delegations of both counties and to the County Councils. The report
37 shall state the number of requests made by developers under this subsection including the
38 number of acceptances and rejections by the WSSC and the justification for any
39 rejections.

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1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 1997.