

HOUSE BILL 832

Unofficial Copy
L5

1998 Regular Session
8lr0167

By: **Prince George's County and Montgomery County Delegations**

Introduced and read first time: February 12, 1998

Assigned to: Commerce and Government Matters

A BILL ENTITLED

1 AN ACT concerning

2 **WSSC - Task Force on Privatization**
3 **PG/MC 4-98**

4 FOR the purpose of establishing a Task Force on Privatization of the Washington
5 Suburban Sanitary Commission; specifying the membership, purposes, duties,
6 and responsibilities of the Task Force; requiring the Task Force to prepare and
7 submit certain reports to certain persons by certain dates; providing for the
8 termination of this Act; and generally relating to the study of privatization of the
9 Washington Suburban Sanitary Commission.

10 BY adding to
11 Article 29 - Washington Suburban Sanitary District
12 Section 18-108
13 Annotated Code of Maryland
14 (1997 Replacement Volume and 1997 Supplement)

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

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

18 18-108.

19 (A) THERE IS A TASK FORCE ON PRIVATIZATION OF THE WASHINGTON
20 SUBURBAN SANITARY COMMISSION.

21 (B) THE TASK FORCE CONSISTS OF THE FOLLOWING 13 MEMBERS:

22 (1) ONE MEMBER OF THE PRINCE GEORGE'S COUNTY DELEGATION OF
23 THE HOUSE OF DELEGATES OF MARYLAND, APPOINTED BY THE CHAIRMAN OF THAT
24 DELEGATION;

25 (2) ONE MEMBER OF THE MONTGOMERY COUNTY DELEGATION OF THE
26 HOUSE OF DELEGATES OF MARYLAND, APPOINTED BY THE CHAIRMAN OF THAT
27 DELEGATION;

1 (3) ONE MEMBER OF THE PRINCE GEORGE'S COUNTY DELEGATION OF
2 THE SENATE OF MARYLAND, APPOINTED BY THE CHAIRMAN OF THAT DELEGATION;

3 (4) ONE MEMBER OF THE MONTGOMERY COUNTY DELEGATION OF THE
4 SENATE OF MARYLAND, APPOINTED BY THE CHAIRMAN OF THAT DELEGATION;

5 (5) THE COUNTY EXECUTIVES OF PRINCE GEORGE'S COUNTY AND
6 MONTGOMERY COUNTY, OR THEIR RESPECTIVE DESIGNEES;

7 (6) ONE REPRESENTATIVE EACH OF THE COUNTY COUNCILS OF PRINCE
8 GEORGE'S COUNTY AND MONTGOMERY COUNTY, SELECTED BY THEIR RESPECTIVE
9 COUNCILS;

10 (7) THE GENERAL MANAGER OF THE WSSC, OR THE GENERAL
11 MANAGER'S DESIGNEE; AND

12 (8) TWO MEMBERS AT LARGE SELECTED BY EACH OF THE COUNTY
13 EXECUTIVES.

14 (C) TO THE EXTENT PRACTICABLE, THE MEMBERS OF THE TASK FORCE SHALL
15 BE SELECTED TO REPRESENT THE GREATEST DIVERSITY OF INTERESTS IN THE
16 FUNCTIONS AND OPERATIONS OF THE WSSC, AND THE GREATEST EXPERTISE IN
17 PUBLIC UTILITY RATE REGULATION, ACCOUNTING, BUSINESS MANAGEMENT, AND
18 ANALYSIS OF OPERATIONAL SYSTEMS OF PUBLIC UTILITIES.

19 (D) THE COUNTY EXECUTIVES OF PRINCE GEORGE'S COUNTY AND
20 MONTGOMERY COUNTY SHALL EACH SELECT ONE OF THE JOINT CHAIRMEN OF THE
21 TASK FORCE.

22 (E) (1) THE TASK FORCE SHALL CONDUCT PUBLIC MEETINGS IN THE
23 SANITARY DISTRICT:

24 (I) AT LEAST ONCE EACH MONTH; AND

25 (II) AT OTHER TIMES AT THE CALL OF THE JOINT CHAIRMEN OF
26 THE TASK FORCE.

27 (2) THE TASK FORCE SHALL PUBLISH NOTICE OF EACH PUBLIC
28 MEETING ONCE EACH WEEK FOR 2 CONSECUTIVE WEEKS IMMEDIATELY PRECEDING
29 THE MEETING IN AT LEAST ONE NEWSPAPER OF GENERAL CIRCULATION IN THE
30 SANITARY DISTRICT AND IN AT LEAST ONE NEWSPAPER OF GENERAL CIRCULATION
31 IN PRINCE GEORGE'S COUNTY AND IN MONTGOMERY COUNTY. THE MEETING NOTICE
32 SHALL INCLUDE A SUMMARY OF THE PROPOSED AGENDA FOR THE MEETING.

33 (F) (1) THE TASK FORCE SHALL STUDY AND REPORT ON THE ADVANTAGES
34 AND DISADVANTAGES OF PRIVATIZING EACH OF THE FUNCTIONS OF THE WSSC,
35 FROM THE STANDPOINTS OF THE RATEPAYERS, THE COUNTY AND MUNICIPAL
36 GOVERNMENTS, AND THE ENTITIES REGULATED BY THE WSSC.

37 (2) THE STUDY SHALL INCLUDE:

1 (I) ANALYSES OF THE ORGANIZATION AND FACILITIES USED BY
2 THE WSSC TO PROVIDE WATER, SEWERAGE, AND ANCILLARY SERVICES;

3 (II) ASSESSMENT OF OPTIONS FOR INCREASING THE ROLE OF THE
4 PRIVATE SECTOR IN WSSC OPERATIONS AND FACILITIES, INCLUDING CONTRACTING
5 OR FRANCHISING CERTAIN SERVICES THROUGH PRIVATE ENTITIES, SELLING
6 PORTIONS OF WSSC OPERATIONS AND FACILITIES TO PRIVATE ENTITIES, AND
7 SEPARATING WSSC OPERATIONS AND FACILITIES IN PRINCE GEORGE'S AND
8 MONTGOMERY COUNTIES;

9 (III) DEVELOPMENT OF APPROPRIATE RATE MAKING AND PRICING
10 MECHANISMS FOR WATER, SEWERAGE, AND ANCILLARY SERVICES PROVIDED IN THE
11 SANITARY DISTRICT THROUGH PRIVATIZATION OPTIONS UNDER SUBPARAGRAPH (II)
12 OF THIS PARAGRAPH;

13 (IV) CONSIDERATIONS AND OPTIONS FOR GOVERNMENTAL
14 OVERSIGHT OF PRIVATIZED WATER, SEWERAGE, AND ANCILLARY SERVICES IN THE
15 SANITARY DISTRICT;

16 (V) ASSESSMENT OF THE TRANSFER OF REGULATORY AND
17 ANCILLARY SERVICES CURRENTLY PROVIDED BY THE WSSC TO LOCAL
18 GOVERNMENTS;

19 (VI) ASSESSMENT OF DIRECT AND INDIRECT BENEFITS AND COSTS
20 OF PRIVATIZATION OPTIONS TO CLASSES OF RATEPAYERS AND OTHER PERSONS,
21 INCLUDING RESIDENTIAL CUSTOMERS, SMALL AND LARGE COMMERCIAL AND
22 INDUSTRIAL CUSTOMERS, LOCAL GOVERNMENTS AS CUSTOMERS AND SERVICE
23 PROVIDERS, AND TAXPAYERS; AND

24 (VII) DEVELOPMENT OF RECOMMENDATIONS FOR PRIVATIZING
25 WATER, SEWERAGE, AND ANCILLARY SERVICES OF THE WSSC IN A MANNER
26 DESIGNED TO PROTECT THE INTERESTS OF CONSUMERS IN HEALTHY, SAFE, AND
27 COST-EFFECTIVE SERVICES AS WELL AS THE CONTINUED ECONOMIC VIABILITY OF
28 ENTITIES PROVIDING THOSE SERVICES IN THE PRIVATE SECTOR.

29 (3) IN THE CONDUCT OF ITS STUDY AND THE DEVELOPMENT OF ITS
30 RECOMMENDATIONS, THE TASK FORCE SHALL MEET WITH CONSUMERS AND WITH
31 ENTITIES POTENTIALLY AFFECTED BY THE PRIVATIZATION OF WATER, SEWERAGE,
32 AND ANCILLARY SERVICES OF THE WSSC AND BY ANY RECOMMENDED
33 RESTRUCTURING OF THE WSSC AND ITS FUNCTIONS.

34 (G) (1) THE TASK FORCE SHALL PROVIDE AN INTERIM REPORT OF ITS
35 ACTIVITIES TO THE COUNTY EXECUTIVES OF PRINCE GEORGE'S COUNTY AND
36 MONTGOMERY COUNTY, AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT
37 ARTICLE, TO THE HOUSE AND SENATE DELEGATIONS OF THOSE COUNTIES, ON OR
38 BEFORE JANUARY 1, 1999.

39 (2) THE TASK FORCE SHALL PROVIDE ITS FINAL REPORT, INCLUDING
40 ALL RECOMMENDATIONS, TO THE COUNTY EXECUTIVES OF PRINCE GEORGE'S
41 COUNTY AND MONTGOMERY COUNTY, AND, SUBJECT TO § 2-1246 OF THE STATE

1 GOVERNMENT ARTICLE, TO THE HOUSE AND SENATE DELEGATIONS OF THOSE
2 COUNTIES, ON OR BEFORE JANUARY 1, 2000.

3 (H) THE WSSC AND ALL OTHER STATE AND LOCAL AGENCIES SHALL
4 COOPERATE WITH AND PROVIDE ASSISTANCE AS NEEDED TO THE TASK FORCE.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 July 1, 1998. It shall remain effective for a period of 2 years and, at the end of June
7 30, 2000, with no further action required by the General Assembly, this Act shall be
8 abrogated and of no further force and effect.