
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 **Washington Suburban Sanitary Commission - Budgetary Process and**
3 **Water/Sewer Rates**
4 **PG/MC 5-98**

5 FOR the purpose of modifying the Washington Suburban Sanitary Commission
6 (WSSC) budgetary process to eliminate approval of the capital or operating
7 budget should the County Councils of Montgomery County and Prince George's
8 County not concur in any change; requiring the WSSC to take certain actions
9 should the County Councils fail to concur; requiring County Council concurrence
10 in water or sewer rate increases adopted by the WSSC; and generally relating to
11 the WSSC budgetary and rate setting process.

12 BY repealing and reenacting, with amendments,
13 Article 29 - Washington Suburban Sanitary District
14 Section 1-204 and 6-109
15 Annotated Code of Maryland
16 (1997 Replacement Volume and 1997 Supplement)

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

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

20 1-204.

21 (a) The WSSC:

22 (1) Before January 15 of each year, shall prepare capital and operating
23 budgets for the next fiscal year, which shall be open for inspection by the public and
24 copies shall be made available to the public on request;

25 (2) Before February 15 of each year, shall hold a public hearing on the
26 proposed budgets after giving at least 21 days' notice of the hearing by publication in
27 at least 2 newspapers published and generally circulated in Montgomery County and
28 2 newspapers published and generally circulated in Prince George's County;

1 (3) On or before March 1 of each year, shall prepare and submit to the
2 County Executives of Montgomery and Prince George's Counties, the capital and
3 operating budgets for the WSSC, for the next fiscal year together with the record of
4 any public hearing which was held on the budgets;

5 (4) Shall identify the sources of revenue allocable to the various proposed
6 expenditures;

7 (5) Shall propose a complete schedule of rates for the water consumption
8 and sewer usage charges and ad valorem tax levies that the WSSC considers
9 necessary to finance the budgets;

10 (6) Shall certify the amounts necessary to be raised for the next year for
11 the payment of interest and principal on all outstanding bonds and notes of the
12 WSSC; and

13 (7) Between March 1 and April 1 of each year, may submit to the County
14 Executives of Montgomery and Prince George's Counties amendatory items to the
15 proposed budgets, together with a declaration of need identifying the sources of
16 revenue allocable to the proposed amendatory items.

17 (b) Each County Executive shall transmit to the County Council of the county:

18 (1) The proposed budgets, together with recommendations on the
19 proposed budgets, and the record of any public hearing held by the WSSC, not later
20 than March 15 of each year; and

21 (2) Amendatory items to the proposed budgets with their
22 recommendations within 10 days after receipt of the amendatory items.

23 (c) (1) Each County Council:

24 (i) On public notice, may hold public hearings on the proposed
25 budgets of the WSSC not earlier than 21 calendar days following receipt from the
26 County Executive;

27 (ii) May add to, delete from, increase, or decrease an item of either
28 budget, and shall transmit by May 15 any proposed changes to the other County
29 Council for review and concurrence; and

30 (iii) On or before June 1 of each year, **IF BOTH COUNTY COUNCILS**
31 **CONCUR ON THE BUDGETS**, shall approve the budgets and transmit them to the
32 WSSC.

33 (2) (i) If the County Councils fail to concur in a change with respect to
34 any item **IN EITHER BUDGET** by June 1, the failure to concur constitutes [approval of
35 the item submitted by] **REJECTION OF THAT PROPOSED BUDGET AND, BEFORE JULY**
36 **1, the WSSC SHALL REVISE THE BUDGET TO NOT EXCEED THE TOTAL SPENDING**
37 **LEVEL IN THE APPROPRIATE BUDGET FOR THE THEN CURRENT FISCAL YEAR.**

1 (ii) [If the County Councils fail to approve the budgets on or before
2 June 1 of each year, the proposed budgets of the WSSC are adopted.] THE WSSC
3 SHALL SUBMIT A REVISED BUDGET ADOPTED UNDER THIS PARAGRAPH TO BOTH
4 COUNTY COUNCILS FOR INFORMATIONAL PURPOSES.

5 (III) NOTHING IN THIS PARAGRAPH SHALL BE CONSTRUED AS
6 PRECLUDING ADEQUATE FUNDING LEVELS TO SATISFY THE PAYMENT OF INTEREST
7 OR PRINCIPAL ON ANY BOND OR NOTE OF THE WSSC THAT IS SCHEDULED TO
8 BECOME DUE.

9 [(e)] (D) (1) The WSSC may submit to the County Executives of the counties
10 proposed supplements to the approved budgets. The submittals shall include full
11 particulars.

12 (2) Within 10 days of receipt of the proposed supplements, the County
13 Executive of each county shall transmit the proposed supplements to the County
14 Council of that county, together with recommendations.

15 (3) Each County Council:

16 (i) May hold public hearings on the proposed supplements; and

17 (ii) May add to, delete from, increase, or decrease the proposed
18 supplements.

19 (4) The failure of the County Councils to jointly approve or amend the
20 proposed supplements within 90 days from the date of transmittal of the proposed
21 supplements to the County Executives by the WSSC constitutes disapproval of the
22 supplements by the County Councils of Montgomery and Prince George's Counties as
23 submitted by the WSSC.

24 [(f)] (E) (1) [Through joint action, the County Councils may recommend to
25 the WSSC rates for water consumption and sewer usage charges and ad valorem tax
26 levies on transmission of the approved budget of the WSSC.

27 (2) On] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, ON receipt of
28 [the budgets and recommendations from the County Councils] A FINAL BUDGET
29 UNDER SUBSECTION (C)(1) OF THIS SECTION OR ADOPTION OF A REVISED BUDGET
30 UNDER SUBSECTION (C)(2) OF THIS SECTION, the WSSC shall [approve] ADOPT a
31 rate schedule [taking into consideration the proposed rate changes recommended by
32 the joint action of the Councils].

33 [(3)] (2) Subject to the provisions of § 6-103 of this article, the rates for
34 sewer and water usage charges shall be uniform throughout the sanitary district.

35 (3) AN INCREASE IN WATER OR SEWER RATES MAY NOT TAKE EFFECT
36 UNLESS BOTH COUNTY COUNCILS CONCUR IN THE RATE CHANGE ADOPTED BY THE
37 WSSC.

1 6-109.

2 (A) If the WSSC determines that it is necessary or desirable to modify an
3 existing rate, charge, levy, or assessment, the WSSC shall:

4 (1) Promptly publish separate notices of the proposed modification in at
5 least 1 newspaper published in each county; and

6 (2) Hold public hearings on the necessity or advisability of the proposed
7 modification.

8 (B) ANY INCREASE IN WATER OR SEWER RATES ADOPTED BY THE WSSC IS
9 SUBJECT TO APPROVAL UNDER § 1-204(E)(3) OF THIS ARTICLE.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 July 1, 1998.