

HOUSE BILL 1051

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M3

2002 Regular Session
2lr2450
CF 2lr2504

By: **Delegates Conway, Taylor, Amedori, W. Baker, Barkley, Bartlett, Bohanan, Boutin, Bozman, Brinkley, Bronrott, Cane, Conway, Crouse, Eckardt, Edwards, Elliott, Getty, Hecht, Hubbard, Hutchins, James, Kelly, Linton, McClenahan, McKee, Mitchell, Moe, O'Donnell, Owings, Parrott, Riley, Rudolph, Shank, Snodgrass, Stocksdale, Stull, Walkup, and Wood**

Introduced and read first time: February 8, 2002
Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Environment - Wastewater Infrastructure Improvement - Fund - Study**

3 FOR the purpose of establishing a Wastewater Infrastructure Improvement Fund;
4 requiring a certain budget distribution; authorizing the Department of the
5 Environment to award grants to local jurisdictions for improving wastewater
6 infrastructure; establishing certain criteria for eligibility and funding priority;
7 requiring the Department to adopt certain regulations; requiring the
8 Department to conduct certain inflow and infiltration studies on wastewater
9 treatment systems; requiring the Department to finance a utility rate study for
10 each locality with a wastewater treatment system in Maryland; providing for
11 the termination of certain provisions of this Act; providing for the effective date
12 of this Act; and generally relating to wastewater infrastructure improvement.

13 BY adding to
14 Article - Environment
15 Section 9-352
16 Annotated Code of Maryland
17 (1996 Replacement Volume and 2001 Supplement)

18 Preamble

19 WHEREAS, The costs of upgrading sewerage lines and wastewater treatment
20 facilities to meet today's environmental standards and to accommodate growth
21 typically far exceeds the financial resources of most smaller communities in
22 Maryland; and

23 WHEREAS, The availability of an adequate wastewater infrastructure is a vital
24 component of economic and community development strategies of the counties and
25 municipal corporations in the State; and

1 WHEREAS, The lack of an adequate wastewater infrastructure in many smaller
2 communities poses a serious challenge to the quality of life in these communities and
3 undermines the State's Smart Growth objectives that seek to channel future growth
4 and development into existing populated areas where infrastructure is already in
5 place to accommodate this development; now, therefore,

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

8 **Article - Environment**

9 9-352.

10 (A) THERE IS A WASTEWATER INFRASTRUCTURE IMPROVEMENT FUND.

11 (B) THE GOVERNOR SHALL PROVIDE IN THE STATE BUDGET A MINIMUM OF
12 TEN MILLION DOLLARS IN EACH FISCAL YEAR.

13 (C) THE DEPARTMENT MAY DISTRIBUTE MONEY IN THE WASTEWATER
14 INFRASTRUCTURE IMPROVEMENT FUND TO POLITICAL SUBDIVISIONS OF THE STATE
15 THROUGH GRANTS FOR IMPROVING WASTEWATER INFRASTRUCTURE ACCORDING
16 TO THIS SECTION.

17 (D) THE DEPARTMENT SHALL ADOPT REGULATIONS THAT ESTABLISH
18 APPLICATION PROCEDURES AND CRITERIA FOR THE AWARD OF GRANTS UNDER THIS
19 SECTION. THE CRITERIA SHALL INCLUDE:

20 (1) THE NEED TO CORRECT A SUBSTANTIAL WASTEWATER SYSTEM
21 DEFICIENCY RELATED TO SANITARY SYSTEM OVERFLOWS OR AN INFLOW OR
22 INFILTRATION PROBLEM;

23 (2) MEDIAN HOUSEHOLD INCOME FOR THE POLITICAL SUBDIVISION;

24 (3) UTILITY USER RATES FOR THE POLITICAL SUBDIVISION; AND

25 (4) THE COST RELATIONSHIP BETWEEN THE PROPOSED IMPROVEMENT
26 AND THE USER RATES.

27 (E) THE DEPARTMENT SHALL AWARD GRANTS TO ELIGIBLE LOCAL
28 JURISDICTIONS IN ACCORDANCE WITH A PRIORITY RATING THAT INCORPORATES
29 THE FOLLOWING CRITERIA:

30 (1) THE FISCAL INABILITY OF THE LOCAL JURISDICTION TO PAY FOR
31 THE PROPOSED WASTEWATER INFRASTRUCTURE IMPROVEMENT THROUGH A
32 COMBINATION OF OTHERWISE AVAILABLE GRANTS AND LOANS;

33 (2) THE NEED FOR THE PROPOSED WASTEWATER SYSTEM
34 IMPROVEMENT TO FURTHER AN ECONOMIC DEVELOPMENT ACTIVITY IDENTIFIED IN
35 A PLAN PRODUCED BY A REGIONAL PLANNING AND DEVELOPMENT COUNCIL, A

1 COUNTY ECONOMIC DEVELOPMENT COMMISSION, OR A MUNICIPAL
2 COMPREHENSIVE PLAN, WHERE APPLICABLE; AND

3 (3) THE CRITERIA USED TO MAKE LOANS UNDER THE MARYLAND
4 WATER QUALITY REVOLVING LOAN FUND.

5 (F) THE DEPARTMENT MAY NOT:

6 (1) AWARD MORE THAN 15% OF THE FUNDS IN THE WASTEWATER
7 INFRASTRUCTURE IMPROVEMENT FUND TO A SINGLE LOCAL JURISDICTION DURING
8 ANY YEAR;

9 (2) MAKE MORE THAN TWO GRANT AWARDS TO LOCAL JURISDICTIONS
10 LOCATED WITHIN A SINGLE COUNTY DURING ANY YEAR; OR

11 (3) MAKE MORE THAN ONE GRANT AWARD TO FUND A BIOLOGICAL
12 NUTRIENT REMOVAL PROGRAM DURING ANY YEAR TO A LOCAL JURISDICTION
13 OPERATING A WASTEWATER TREATMENT FACILITY DESIGNED TO PRODUCE LESS
14 THAN 500,000 GALLONS PER DAY OF EFFLUENT OUTFLOW.

15 (G) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE
16 PROVISIONS OF THIS ACT.

17 SECTION 2. AND BE IT FURTHER ENACTED, That:

18 (a) The Department shall conduct a comprehensive inflow and infiltration
19 data study on every wastewater treatment system. The study shall involve a
20 statewide analysis using readily accessible existing data. This study shall determine
21 whether there is an inflow and infiltration problem and, if so, determine the
22 magnitude of the problem.

23 (b) The Department shall conduct at least six comprehensive in-depth inflow
24 and infiltration studies at selected wastewater treatment systems around the State
25 that are representative of the inflow and infiltration problems around the State.

26 (c) The Department shall finance a utility rate study for each locality with a
27 wastewater treatment system in Maryland. This study will compare the local
28 jurisdiction's utility rate to that necessary to financially support the jurisdiction's
29 current wastewater treatment program, while ensuring that adequate funding is set
30 aside by the local jurisdiction for a local capital improvement program.

31 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall
32 take effect July 1, 2002. It shall remain effective for a period of 2 years and, at the end
33 of June 30, 2004, with no further action required by the General Assembly, Section 2
34 of this Act shall be abrogated and of no further force and effect.

35 SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in
36 Section 3 of this Act, this Act shall take effect July 1, 2004.