

SENATE BILL 643

Unofficial Copy  
M3

2002 Regular Session  
2lr2504  
CF 2lr2450

---

By: **Senators Baker and Middleton**

Introduced and read first time: February 1, 2002

Assigned to: Education, Health, and Environmental Affairs

---

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

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

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

3 **Article - Environment**

4 9-352.

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

6 (B) THE GOVERNOR SHALL PROVIDE IN THE STATE BUDGET AN AMOUNT  
7 EQUAL TO 10% OF THE TOTAL FUNDS IN THE MARYLAND WATER QUALITY  
8 REVOLVING LOAN FUND TO BE DISTRIBUTED ANNUALLY TO THE WASTEWATER  
9 INFRASTRUCTURE IMPROVEMENT FUND.

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

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

17 (1) THE NEED TO CORRECT A SUBSTANTIAL WASTEWATER SYSTEM  
18 DEFICIENCY RELATED TO SANITARY SYSTEM OVERFLOWS OR AN INFLOW OR  
19 INFILTRATION PROBLEM;

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

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

22 (4) THE COST RELATIONSHIP BETWEEN THE PROPOSED IMPROVEMENT  
23 AND THE USER RATES.

24 (E) THE DEPARTMENT SHALL AWARD GRANTS TO ELIGIBLE LOCAL  
25 JURISDICTIONS IN ACCORDANCE WITH A PRIORITY RATING THAT INCORPORATES  
26 THE FOLLOWING CRITERIA:

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

30 (2) THE NEED FOR THE PROPOSED WASTEWATER SYSTEM  
31 IMPROVEMENT TO FURTHER AN ECONOMIC DEVELOPMENT ACTIVITY IDENTIFIED IN  
32 A PLAN PRODUCED BY A REGIONAL PLANNING AND DEVELOPMENT COUNCIL, A  
33 COUNTY ECONOMIC DEVELOPMENT COMMISSION, OR A MUNICIPAL  
34 COMPREHENSIVE PLAN, WHERE APPLICABLE; AND

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

1 (F) THE DEPARTMENT MAY NOT:

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

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

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

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

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

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

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

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

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

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