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

Introduced and read first time: February 4, 2005

Assigned to: Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2                           **Washington Suburban Sanitary District - System Development Charge -**  
3   **Exemptions**  
4   **MC/PG 104-05**

5 FOR the purpose of authorizing the County Councils of Montgomery County and  
6 Prince George's County to grant an exemption from a system development  
7 charge imposed by the Washington Suburban Sanitary District for certain  
8 properties owned by certain entities that are exempt from federal taxation and  
9 for certain projects that include a commitment to preserve certain open space  
10 under the definitions, conditions, and requirements that the County Councils  
11 set; and generally relating to the Washington Suburban Sanitary District and  
12 the system development charge.

13 BY repealing and reenacting, without amendments,  
14 Article 29 - Washington Suburban Sanitary District  
15 Section 6-113(b)  
16 Annotated Code of Maryland  
17 (2003 Replacement Volume and 2004 Supplement)

18 BY repealing and reenacting, with amendments,  
19 Article 29 - Washington Suburban Sanitary District  
20 Section 6-113(c)  
21 Annotated Code of Maryland  
22 (2003 Replacement Volume and 2004 Supplement)

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

**Article 29 - Washington Suburban Sanitary District**

2 6-113.

3 (b) (1) Subject to the provisions of this section, in addition to any other  
4 charges authorized under this article, the WSSC may impose a system development  
5 charge that shall be paid by an applicant for new service.

6 (2) The system development charge shall be paid as follows:

7 (i) For residential properties:

8 1. 50% at the time the application is filed; and

9 2. 50% within 12 months after the date on which a plumbing  
10 permit application is filed with the Commission or on transfer of title to the property,  
11 whichever occurs first; and

12 (ii) For other properties, 100% at the time the plumbing permit  
13 application is filed.

14 (3) At the time of the filing of the plumbing permit application, the  
15 applicant shall deposit with the WSSC security in the form of an irrevocable letter of  
16 credit or a financial guaranty bond or in a form established and approved by the  
17 WSSC under its rules and regulations.

18 (c) (1) (i) The Montgomery County Council and the Prince George's  
19 County 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:

22 1. Shall be based on the number of plumbing fixtures and the  
23 assigned values for those fixtures as set forth in the WSSC plumbing and gas fitting  
24 regulations;

25 2. Except as provided in item 3 of this subparagraph, on or  
26 after July 1, 1998, may not exceed \$200 per fixture unit;

27 3. For residential properties with five or fewer toilets, shall  
28 be based on the number of toilets per dwelling unit and:

29 A. For each apartment unit, may not exceed \$2,000;

30 B. For dwellings with one or two toilets, may not exceed  
31 \$3,000;

32 C. For dwellings with three to four toilets, may not exceed  
33 \$5,000; or

34 D. For dwellings with five toilets, may not exceed \$7,000; and

1 4. For dwellings with more than five toilets, shall be  
2 calculated on a fixture unit basis.

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

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

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

10                                2.          May grant a full or partial exemption from the charge for:

11 A. [revitalization] REVITALIZATION projects; [and]

12 B. PROPERTY OWNED BY AN ORGANIZATION, INSTITUTION,  
13 ASSOCIATION, SOCIETY, OR CORPORATION THAT IS EXEMPT FROM TAXATION UNDER  
14 § 501(C)(3) OF THE INTERNAL REVENUE CODE; OR

15 C. PROJECTS THAT INCLUDE A COMMITMENT FOR THE  
16 PRESERVATION OF OPEN SPACE, UNDER THE DEFINITIONS, CONDITIONS, AND  
17 REQUIREMENTS AS JOINTLY AGREED ON BY THE COUNTY COUNCILS; AND

18                         3.             May grant a full or partial exemption from the charge,  
19 under conditions prescribed by the County Councils, for:

20 A. Residential property located in a mixed retirement  
21 development as defined in the zoning ordinance of Prince George's County;

22 B. Residential property located in a planned retirement  
23 community as defined in the zoning ordinance of Montgomery County;

24 C. Other elderly housing; or

25 D. Properties used for biotechnology research and  
26 development, or manufacturing.

(v) On July 1, 1999, and July 1 of each succeeding year, the maximum charge, as established in subparagraph (ii) of this paragraph, may be changed by an amount equal to the prior calendar year's change in the consumer price index published by the Bureau of Labor Statistics of the United States Department of Labor for urban wage earners and clerical workers for all items for the Washington, D.C. metropolitan area, or the successor index.

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

- 1 (i) A percentage of any rate increase; and
- 2 (ii) The annual monetary amount on a typical residential  
3 customer's annual water and sewer bill.
- 4 (3) If the County Councils do not agree on the amount of the charge, the  
5 charge imposed during the previous year shall continue in effect for the following  
6 fiscal year.
- 7 (4) If the County Councils have not previously agreed on any system  
8 development charge, a system development charge may not be imposed during that  
9 fiscal year.
- 10 (5) (i) Before July 1, 1994, the WSSC may not impose a system  
11 development charge in an amount greater than 50% of the charge established by the  
12 County Councils under this subsection.
- 13 (ii) Before July 1, 1995, the WSSC may not impose a system  
14 development charge greater than 75% of the charge established by the County  
15 Councils under this subsection.
- 16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 July 1, 2005.