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By: **Delegates Glassman, Kohl, Mayer, and Sossi**

Introduced and read first time: February 1, 2006

Assigned to: Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2                           **Bay Restoration Fund - Failing Onsite Sewage Disposal Systems - Eligibility**  
3                           **for Funds**

4 FOR the purpose of authorizing certain money in the Bay Restoration Fund to be  
5 used to provide grants or loans for the cost of repairing or replacing a failing  
6 onsite sewage disposal system, with priority given to certain users; and  
7 generally relating to eligibility for funds from the Bay Restoration Fund.

8 BY repealing and reenacting, without amendments,  
9 Article - Environment  
10 Section 9-1605.2(a) and (b)(1)  
11 Annotated Code of Maryland  
12 (1996 Replacement Volume and 2005 Supplement)

13 BY repealing and reenacting, with amendments,  
14 Article - Environment  
15 Section 9-1605.2(h)  
16 Annotated Code of Maryland  
17 (1996 Replacement Volume and 2005 Supplement)

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

20                           **Article - Environment**

21 9-1605.2.

22       (a)       (1)       There is a Bay Restoration Fund.

23                       (2)       It is the intent of the General Assembly that the Bay Restoration  
24 Fund be:

25                               (i)       Used, in part, to provide the funding necessary to upgrade any  
26 of the wastewater treatment facilities that are located in the State or used by citizens

1 of the State in order to achieve enhanced nutrient removal where it is cost-effective to  
2 do so; and

3 (ii) Available for treatment facilities discharging into the Atlantic  
4 Coastal Bays or other waters of the State, but that priority be given to treatment  
5 facilities discharging into the Chesapeake Bay.

6 (3) The Bay Restoration Fund shall be maintained and administered by  
7 the Administration in accordance with the provisions of this section and any rules or  
8 program directives as the Secretary or the Board may prescribe.

9 (4) There is established a Bay restoration fee to be paid by any user of a  
10 wastewater facility, an onsite sewage disposal system, or a holding tank that:

11 (i) Is located in the State; or

12 (ii) Serves a Maryland user and is eligible for funding under this  
13 subtitle.

14 (b) (1) The Bay restoration fee is:

15 (i) Beginning January 1, 2005, for each residential dwelling that  
16 receives an individual sewer bill and each user of an onsite sewage disposal system or  
17 a holding tank that receives a water bill, \$2.50 per month;

18 (ii) Beginning October 1, 2005, for each user of an onsite sewage  
19 disposal system that does not receive a water bill, \$30 per year;

20 (iii) Beginning October 1, 2005, for each user of a sewage holding  
21 tank that does not receive a water bill, \$30 per year; and

22 (iv) Beginning January 1, 2005, for a building or group of buildings  
23 under single ownership or management that receives a sewer bill and that contains  
24 multiple residential dwellings that do not receive an individual sewer bill or for a  
25 nonresidential user:

26 1. For each equivalent dwelling unit not exceeding 3,000  
27 equivalent dwelling units, \$2.50 per month;

28 2. For each equivalent dwelling unit exceeding 3,000  
29 equivalent dwelling units and not exceeding 5,000 equivalent dwelling units, \$1.25  
30 per month; and

31 3. For each equivalent dwelling unit exceeding 5,000  
32 equivalent dwelling units, zero.

33 (h) (1) With regard to the funds collected under subsection (b)(1)(i), from  
34 users of an onsite sewage disposal system or holding tank that receive a water bill,  
35 (ii), and (iii) of this section, beginning in fiscal year 2006, the Comptroller shall:

1 (i) Establish a separate account within the Bay Restoration Fund;  
2 and

3 (ii) Disburse the funds as provided under paragraph (2) of this  
4 subsection.

5 (2) The Comptroller shall:

6 (i) Deposit 60% of the funds in the separate account to be used for:

7 1. With priority given to failing systems and holding tanks  
8 located in the Chesapeake and Atlantic Coastal Bays Critical Area, grants or loans for  
9 up to 100% of:

10 A. The costs attributable to upgrading an onsite sewage  
11 disposal system to the best available technology for the removal of nitrogen; [or]

12 B. The cost difference between a conventional onsite sewage  
13 disposal system and a system that utilizes the best available technology for the  
14 removal of nitrogen; [and] OR

15 C. THE COST OF REPAIRING OR REPLACING A FAILING  
16 ONSITE SEWAGE DISPOSAL SYSTEM, WITH PRIORITY GIVEN TO LOW-INCOME USERS  
17 AS DEFINED BY THE DEPARTMENT; AND

18 2. The reasonable costs of the Department, not to exceed 8%  
19 of the funds deposited into the separate account, to:

20 A. Implement an education, outreach, and upgrade program  
21 to advise owners of onsite sewage disposal systems and holding tanks on the proper  
22 maintenance of the systems and tanks and the availability of grants and loans under  
23 item 1 of this subparagraph;

24 B. Review and approve the design and construction of onsite  
25 sewage disposal system or holding tank upgrades;

26 C. Issue grants or loans as provided under subparagraph  
27 1 of this subparagraph; and

28 D. Provide technical support for owners of upgraded onsite  
29 sewage disposal systems or holding tanks to operate and maintain the upgraded  
30 systems; and

31 (ii) Transfer 40% of the funds to the Maryland Agriculture Water  
32 Quality Cost Share Program in the Department of Agriculture in order to fund cover  
33 crop activities.

34 (3) The Comptroller, in consultation with the Administration, may  
35 establish any other accounts and subaccounts within the Bay Restoration Fund as  
36 necessary to:

- 1 (i) Effectuate the purposes of this subtitle;
- 2 (ii) Comply with the provisions of any bond resolution;
- 3 (iii) Meet the requirements of any federal or State law or of any  
4 grant or award to the Bay Restoration Fund; and
- 5 (iv) Meet any rules or program directives established by the  
6 Secretary or the Board.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 October 1, 2006.