

HOUSE BILL 669

L5

71r0485

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

Introduced and read first time: February 8, 2007

Assigned to: Environmental Matters

Committee Report: Favorable

House action: Adopted

Read second time: March 20, 2007

CHAPTER _____

1 AN ACT concerning

2 **Washington Suburban Sanitary Commission – System Development Charge –**
3 **Assessment and Definitions**

4 **MC/PG 110-07**

5 FOR the purpose of defining a certain term and altering a certain term in the laws
6 relating to system development charges that may be imposed by the
7 Washington Suburban Sanitary Commission; clarifying that certain types of
8 dwelling units shall be assessed a system development charge under certain
9 rates; and generally relating to the system development charges and the
10 Washington Suburban Sanitary Commission.

11 BY repealing and reenacting, with amendments,
12 Article 29 – Washington Suburban Sanitary District
13 Section 6-113(a) and (c)
14 Annotated Code of Maryland
15 (2003 Replacement Volume and 2006 Supplement)

16 BY repealing and reenacting, without amendments,
17 Article 29 – Washington Suburban Sanitary District
18 Section 6-113(b) and (d)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Annotated Code of Maryland
2 (2003 Replacement Volume and 2006 Supplement)

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

5 **Article 29 – Washington Suburban Sanitary District**

6 6–113.

7 (a) (1) In this section the following words have the meanings indicated.

8 (2) (I) **“APARTMENT UNIT” MEANS A SINGLE FAMILY HOUSING**
9 **UNIT THAT:**

10 **1. IS ONE OF SEVERAL UNITS WITHIN ONE BUILDING;**

11 **2. CONTAINS AT LEAST ONE FULL BATH AND**
12 **KITCHEN; AND**

13 **3. DOES NOT CONTAIN MORE THAN TWO TOILETS.**

14 (II) **“APARTMENT UNIT” DOES NOT INCLUDE ANY DWELLING**
15 **UNIT IN A BUILDING THAT ACCOMMODATES SEVERAL DWELLING UNITS ON A**
16 **LATERAL BASIS ONLY, INCLUDING SEMIATTACHED HOUSES, ROW HOUSES, AND**
17 **TOWNHOUSES.**

18 [(2)] (3) **“Fixture unit” means the assigned value for a particular**
19 **plumbing fixture, or group of plumbing fixtures, as set forth in the WSSC plumbing**
20 **and gas fitting regulations, standardized with a common lavatory having an assigned**
21 **value of 1 based on its probable discharge into the drainage system or hydraulic**
22 **demand on the water supply.**

23 [(3)] (4) **“New service” means:**

24 (i) **A first time connection of a property to the WSSC water or**
25 **sewer system, INCLUDING A DIRECT CONNECTION OF AN IMPROVEMENT OR**
26 **BUILDING ON A LOT OR PARCEL OF LAND, CONNECTION THROUGH AN EXISTING**
27 **ON-SITE SYSTEM, OR BOTH; or**

1 (ii) A new connection or increased water meter size for a
2 property previously or currently served by the WSSC if the new connection or
3 increased meter size is needed because of a change in the use of the property or an
4 increase in demand for service at the property.

5 [(4)] (5) "Toilet" means a water closet, as set forth in the WSSC
6 plumbing and gas fitting regulations.

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

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

11 (i) For residential properties:

- 12 1. 50% at the time the application is filed; and
13 2. 50% within 12 months after the date on which a
14 plumbing permit application is filed with the Commission or on transfer of title to the
15 property, whichever occurs first; and

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

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

22 (c) (1) (i) The Montgomery County Council and the Prince George's
23 County Council shall meet annually to discuss and approve the amount of the system
24 development charge.

25 (ii) The amount of the charge for a particular property:

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

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

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

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

4 B. For dwellings with one or two toilets, may not exceed
5 \$3,000;

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

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

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

12 (iii) **ANY DWELLING UNIT THAT CONTAINS MORE THAN TWO**
13 **TOILETS, OR ANY DWELLING UNIT IN A BUILDING THAT ACCOMMODATES**
14 **SEVERAL DWELLING UNITS ON A LATERAL BASIS ONLY, INCLUDING**
15 **SEMIATTACHED HOUSES, ROW HOUSES, AND TOWNHOUSES, SHALL BE ASSESSED**
16 **A SYSTEM DEVELOPMENT CHARGE AS A “DWELLING” IN ACCORDANCE WITH**
17 **SUBPARAGRAPH (II)3 OR 4 OF THIS PARAGRAPH, DEPENDING ON THE NUMBER**
18 **OF TOILETS.**

19 (IV) When establishing the charge under this section, the County
20 Councils shall identify and consider the actual cost of construction of WSSC facilities.

21 [(iv)] (V) When establishing the charge under this section,
22 under criteria established jointly and agreed to by the County Councils, the County
23 Councils:

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

27 2. May grant a full or partial exemption from the charge
28 for revitalization projects; and

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

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

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

5 C. Other elderly housing; or

6 D. Properties used for biotechnology research and
7 development, or manufacturing.

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

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

18 (i) A percentage of any rate increase; and

19 (ii) The annual monetary amount on a typical residential
20 customer's annual water and sewer bill.

21 (3) If the County Councils do not agree on the amount of the charge,
22 the charge imposed during the previous year shall continue in effect for the following
23 fiscal year.

24 (4) If the County Councils have not previously agreed on any system
25 development charge, a system development charge may not be imposed during that
26 fiscal year.

27 (5) (i) Before July 1, 1994, the WSSC may not impose a system
28 development charge in an amount greater than 50% of the charge established by the
29 County Councils under this subsection.

1 (ii) Before July 1, 1995, the WSSC may not impose a system
2 development charge greater than 75% of the charge established by the County
3 Councils under this subsection.

4 (d) (1) (i) The WSSC shall deposit all funds collected under the system
5 development charge into the system development charge fund.

6 (ii) The system development charge fund is a special fund which
7 may not revert to general funds of the WSSC.

8 (2) The WSSC may only use the funds collected under the system
9 development charge to:

10 (i) Pay for new treatment, transmission, and collection
11 facilities, the need for which is directly attributable to the addition of new service, and
12 the construction of which began after July 1, 1993; or

13 (ii) Amortize any bond that is issued in connection with the
14 construction of those new facilities.

15 (3) Other costs of enhancement, maintenance, or environmental
16 regulation on existing or new systems shall be borne equally by all ratepayers.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 October 1, 2007.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.