

# SENATE BILL 811

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71r2779

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By: **Senators Colburn and Pipkin**

Introduced and read first time: February 16, 2007

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Bay Restoration Fund – Statewide Demonstration Projects**

3 FOR the purpose of authorizing the use of certain Bay Restoration funds for certain  
4 demonstration projects in the State for the extension of sewer from a publicly  
5 owned wastewater facility under certain circumstances; and generally relating  
6 to the use of Bay Restoration funds.

7 BY repealing and reenacting, without amendments,  
8 Article – Environment  
9 Section 9–1605.2(a) and (b)(1)  
10 Annotated Code of Maryland  
11 (1996 Replacement Volume and 2006 Supplement)

12 BY repealing and reenacting, with amendments,  
13 Article – Environment  
14 Section 9–1605.2(h)  
15 Annotated Code of Maryland  
16 (1996 Replacement Volume and 2006 Supplement)

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

19 **Article – Environment**

20 9–1605.2.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1           (a)   (1)   There is a Bay Restoration Fund.
- 2                       (2)   It is the intent of the General Assembly that the Bay Restoration  
3 Fund be:
- 4                               (i)   Used, in part, to provide the funding necessary to upgrade  
5 any of the wastewater treatment facilities that are located in the State or used by  
6 citizens of the State in order to achieve enhanced nutrient removal where it is  
7 cost-effective to do so; and
- 8                               (ii)   Available for treatment facilities discharging into the  
9 Atlantic Coastal Bays or other waters of the State, but that priority be given to  
10 treatment facilities discharging into the Chesapeake Bay.
- 11                       (3)   The Bay Restoration Fund shall be maintained and administered  
12 by the Administration in accordance with the provisions of this section and any rules  
13 or program directives as the Secretary or the Board may prescribe.
- 14                       (4)   There is established a Bay Restoration Fee to be paid by any user  
15 of a wastewater facility, an onsite sewage disposal system, or a holding tank that:
- 16                               (i)   Is located in the State; or
- 17                               (ii)   Serves a Maryland user and is eligible for funding under  
18 this subtitle.
- 19           (b)   (1)   The Bay Restoration Fee is:
- 20                               (i)   Beginning January 1, 2005, for each residential dwelling  
21 that receives an individual sewer bill and each user of an onsite sewage disposal  
22 system or a holding tank that receives a water bill, \$2.50 per month;
- 23                               (ii)   Beginning October 1, 2005, for each user of an onsite sewage  
24 disposal system that does not receive a water bill, \$30 per year;
- 25                               (iii)   Beginning October 1, 2005, for each user of a sewage holding  
26 tank that does not receive a water bill, \$30 per year; and
- 27                               (iv)   Beginning January 1, 2005, for a building or group of  
28 buildings under single ownership or management that receives a sewer bill and that  
29 contains multiple residential dwellings that do not receive an individual sewer bill or  
30 for a nonresidential user:

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

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

6                   3.     For each equivalent dwelling unit exceeding 5,000  
7 equivalent dwelling units, zero.

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

11                   (i)    Establish a separate account within the Bay Restoration  
12 Fund; and

13                   (ii)   Disburse the funds as provided under paragraph (2) of this  
14 subsection.

15           (2)    The Comptroller shall:

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

18                   1.     Subject to paragraph (3) of this subsection, with  
19 priority first given to failing systems and holding tanks located in the Chesapeake and  
20 Atlantic Coastal Bays Critical Area and then to failing systems that the Department  
21 determines are a threat to public health or water quality, grants or loans for up to  
22 100% of:

23                   A.     The costs attributable to upgrading an onsite sewage  
24 disposal system to the best available technology for the removal of nitrogen;

25                   B.     The cost difference between a conventional onsite  
26 sewage disposal system and a system that utilizes the best available technology for the  
27 removal of nitrogen; or

28                   C.     The cost of repairing or replacing a failing onsite  
29 sewage disposal system with a system that uses the best available technology for  
30 nitrogen removal or another wastewater treatment system; [and]

1                   **2. THE COST OF IMPLEMENTING DEMONSTRATION**  
2 **PROJECTS, INCLUDING GRANTS OF UP TO \$500,000 TO ANY COUNTY IN THE**  
3 **STATE FOR THE EXTENSION OF SEWER FROM A PUBLICLY OWNED WASTEWATER**  
4 **FACILITY THROUGH RESTRICTED DENIED ACCESS SEWER LINES TO**  
5 **DESIGNATED AREAS WITH DEFINED CAPACITY LIMITS BASED ON EXISTING LOTS**  
6 **OF RECORD; AND**

7                   **3.** The reasonable costs of the Department, not to exceed  
8 8% of the funds deposited into the separate account, to:

9                   A. Implement an education, outreach, and upgrade  
10 program to advise owners of onsite sewage disposal systems and holding tanks on the  
11 proper maintenance of the systems and tanks and the availability of grants and loans  
12 under item 1 of this item;

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

15                   C. Issue grants or loans as provided under item 1 of this  
16 item; and

17                   D. Provide technical support for owners of upgraded  
18 onsite sewage disposal systems or holding tanks to operate and maintain the upgraded  
19 systems; and

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

23                   (3) Funding for the costs identified in paragraph (2)(i)1 of this  
24 subsection shall be provided in the following order of priority:

25                   (i) For owners of all levels of income, the costs identified in  
26 paragraph (2)(i)1A and B of this subsection; and

27                   (ii) For low-income owners, as defined by the Department, the  
28 costs identified in paragraph (2)(i)1C of this subsection:

29                   1. First, for best available technologies for nitrogen  
30 removal; and

31                   2. Second, for other wastewater treatment systems.

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

4                           (i)    Effectuate the purposes of this subtitle;

5                           (ii)   Comply with the provisions of any bond resolution;

6                           (iii) Meet the requirements of any federal or State law or of any  
7 grant or award to the Bay Restoration Fund; and

8                           (iv)   Meet any rules or program directives established by the  
9 Secretary or the Board.

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