

HOUSE BILL 636

L5

3lr0472

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

Introduced and read first time: February 1, 2013

Assigned to: Environmental Matters

Committee Report: Favorable

House action: Adopted

Read second time: March 15, 2013

CHAPTER _____

1 AN ACT concerning

2 **Washington Suburban Sanitary District – System Development Charge –**
3 **Exemptions**

4 **MC/PG 103–13**

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 Commission for certain
8 properties owned by certain entities that are exempt from federal taxation and
9 the primary mission and purpose of which are to provide programs and services
10 to youth under certain circumstances; limiting the amount of a certain
11 exemption from a system development charge; providing for the termination of
12 this Act; and generally relating to the Washington Suburban Sanitary District
13 and the system development charge.

14 BY repealing and reenacting, with amendments,
15 Article – Public Utilities
16 Section 25–403
17 Annotated Code of Maryland
18 (2010 Replacement Volume and 2012 Supplement)

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

21 **Article – Public Utilities**

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 25-403.

2 (a) (1) Each year the Montgomery County Council and the Prince
3 George's County Council shall meet to determine the amount of the system
4 development charge.

5 (2) The amount of the system development charge for a particular
6 property:

7 (i) shall be based on the number of plumbing fixtures and the
8 assigned values for those fixtures as set forth in the Commission's plumbing and gas
9 fitting regulations;

10 (ii) except as provided in item (iii) of this paragraph and
11 subsection (c) of this section, may not exceed \$200 per fixture unit; and

12 (iii) for residential properties with five or fewer toilets, shall be
13 based on the number of toilets per dwelling unit and:

14 1. for each apartment unit, may not exceed \$2,000;

15 2. for dwellings with one or two toilets, may not exceed
16 \$3,000;

17 3. for dwellings with three or four toilets, may not
18 exceed \$5,000;

19 4. for dwellings with five toilets, may not exceed \$7,000;
20 and

21 5. for dwellings with more than five toilets, shall be
22 calculated on a fixture unit basis.

23 (3) When determining the system development charge, the county
24 councils shall consider the actual cost of construction of Commission facilities.

25 (b) When determining the system development charge, under criteria
26 established jointly and agreed on by the county councils, the county councils:

27 (1) shall grant a full or partial exemption from the charge for public
28 sponsored or affordable housing as jointly defined and agreed on by the county
29 councils;

30 (2) may grant a full or partial exemption from the charge for:

31 (I) revitalization projects; OR

1 **(II) PROPERTY OWNED BY A COMMUNITY-BASED**
2 **ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE**
3 **INTERNAL REVENUE CODE AND HAS THE PRIMARY MISSION AND PURPOSE OF**
4 **PROVIDING RECREATIONAL AND EDUCATIONAL PROGRAMS AND SERVICES TO**
5 **YOUTH, IF:**

6 **1. THE PROPERTY IS USED PRIMARILY FOR**
7 **RECREATIONAL AND EDUCATIONAL PROGRAMS AND SERVICES TO YOUTH; AND**

8 **2. THE EXEMPTION AMOUNT IS LIMITED TO \$80,000;**
9 and

10 (3) may grant a full or partial exemption from the system development
11 charge, under conditions set forth by the county councils, for:

12 (i) residential property located in a mixed retirement
13 development as defined in the zoning ordinance of Prince George's County;

14 (ii) residential property located in a planned retirement
15 community as defined in the zoning ordinance of Montgomery County;

16 (iii) elderly housing other than that included in item (i) or (ii) of
17 this item; or

18 (iv) properties used for manufacturing or biotechnology research
19 and development.

20 (c) On July 1, 1999, and July 1 of each succeeding year, the maximum
21 charge, as established in subsection (a)(2) of this section, may be changed by an
22 amount equal to the prior calendar year's change in the Consumer Price Index
23 published by the Bureau of Labor Statistics of the United States Department of Labor
24 for urban wage earners and clerical workers for all items for the Washington, D.C.
25 metropolitan area, or the successor index.

26 (d) If the county councils do not agree on the amount of the system
27 development charge, the system development charge imposed during the previous year
28 shall continue in effect for the following fiscal year.

29 (e) If the system development charge established by the county councils is
30 less than the amount necessary to recover the full cost of constructing growth related
31 facilities, the Commission shall identify the part of the cost of that growth that will be
32 paid by current ratepayers as:

33 (1) a percentage of any rate increase; and

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1 (2) the annual monetary amount on a typical residential customer's
2 annual water and sewer bill.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 July 1, 2013. It shall remain effective for a period of 3 years and, at the end of June 30,
5 2016, with no further action required by the General Assembly, this Act shall be
6 abrogated and of no further force and effect.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.