

# HOUSE BILL 636

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By: **Montgomery County Delegation and Prince George's County Delegation**  
Introduced and read first time: February 1, 2013  
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 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**

22 25–403.

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

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

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

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

11                           2.    for dwellings with one or two toilets, may not exceed  
12 \$3,000;

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

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

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

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

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

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

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

27                                   (I)    revitalization projects; **OR**

28                                   (II)  **PROPERTY OWNED BY A COMMUNITY-BASED**  
29 **ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE**  
30 **INTERNAL REVENUE CODE AND HAS THE PRIMARY MISSION AND PURPOSE OF**

1 PROVIDING RECREATIONAL AND EDUCATIONAL PROGRAMS AND SERVICES TO  
2 YOUTH, IF:

3 1. THE PROPERTY IS USED PRIMARILY FOR  
4 RECREATIONAL AND EDUCATIONAL PROGRAMS AND SERVICES TO YOUTH; AND

5 2. THE EXEMPTION AMOUNT IS LIMITED TO \$80,000;  
6 and

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

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

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

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

15 (iv) properties used for manufacturing or biotechnology research  
16 and development.

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

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

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

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

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

**HOUSE BILL 636**

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