

SENATE BILL 1071

L5, M3

4lr3259

By: **Senator Colburn**

Introduced and read first time: February 21, 2014

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County and Prince George's County Fair Share Act of 2014**

3 FOR the purpose of requiring the Washington Suburban Sanitary Commission each
4 year to impose on certain ratepayers a sewage and sludge remediation charge;
5 requiring the Montgomery County Council and the Prince George's County
6 Council to meet each year to determine the amount of the sewage and sludge
7 remediation charge; requiring the county councils to consider certain
8 anticipated costs when determining the amount of the sewage and sludge
9 remediation charge; authorizing the charge to be changed by a certain amount
10 in certain years; providing that if the county councils do not agree on the
11 amount of the charge, the amount of the charge imposed in the previous year
12 shall continue in effect for the following fiscal year; requiring that, if the charge
13 is less than a certain amount, the Commission shall identify the part of the cost
14 of certain remediation that will be paid by certain ratepayers as a percentage of
15 a certain rate increase and the annual monetary amount on a certain customer's
16 annual water and sewer bill; requiring the Commission to deposit certain funds
17 into a Sewage and Sludge Remediation Charge Fund; providing that the Fund is
18 a special fund that may not revert to the general funds of the Commission;
19 specifying that the Commission may only use certain funds in the Fund in a
20 certain manner; and generally relating to sewage and sludge remediation in the
21 Washington Suburban Sanitary District.

22 BY repealing and reenacting, without amendments,
23 Article – Public Utilities
24 Section 16–101(a) and (b)
25 Annotated Code of Maryland
26 (2010 Replacement Volume and 2013 Supplement)

27 BY adding to
28 Article – Public Utilities
29 Section 25–107 and 25–108

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland
2 (2010 Replacement Volume and 2013 Supplement)

3 Preamble

4 WHEREAS, Montgomery County and Prince George's County have consent
5 decrees that require the upgrade of their sewer systems due to the release of untreated
6 sewage from facilities with National Pollutant Discharge Elimination System permits;
7 and

8 WHEREAS, The Washington Suburban Sanitary Commission estimated that
9 they will spend over \$1,000,000,000 in operating and capital expenditures to enhance
10 the wastewater collection system; and

11 WHEREAS, Over the fiscal 2001–2013 period, it appears that very little
12 progress has been made to reduce the number of overflows or gallons of sewage
13 released; and

14 WHEREAS, The Department of the Environment has noted that funding for
15 sewer rehabilitation and the amount of rainfall will determine future sewer overflow
16 reductions and that predictions about more substantial storms due to global warming
17 have led to higher overflow estimated for future years; and

18 WHEREAS, The Department of the Environment has also noted that the high
19 costs associated with combined sewer overflow and sanitary sewer overflow projects
20 has led to extended schedules in order to make the projects more affordable; and

21 WHEREAS, For the years 2010 through 2013, the Washington Suburban
22 Sanitary Commission reported 42,200,000 gallons of sewage spills, which is an
23 average of 10,500,000 gallons per year or 28,800 gallons per day; now, therefore,

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

26 **Article – Public Utilities**

27 16–101.

28 (a) In this division the following words have the meanings indicated.

29 (b) “Commission” means the Washington Suburban Sanitary Commission.

30 **25–107.**

1 **(A) IN ADDITION TO ANY OTHER CHARGES AUTHORIZED UNDER THIS**
2 **DIVISION, EACH YEAR THE COMMISSION SHALL IMPOSE ON EACH RATEPAYER A**
3 **SEWAGE AND SLUDGE REMEDIATION CHARGE.**

4 **(B) (1) EACH YEAR THE MONTGOMERY COUNTY COUNCIL AND THE**
5 **PRINCE GEORGE'S COUNTY COUNCIL SHALL MEET TO DETERMINE THE**
6 **AMOUNT OF THE SEWAGE AND SLUDGE REMEDIATION CHARGE.**

7 **(2) WHEN DETERMINING THE AMOUNT OF THE SEWAGE AND**
8 **SLUDGE REMEDIATION CHARGE, THE COUNTY COUNCILS SHALL CONSIDER THE**
9 **ANTICIPATED COSTS PER GALLON FOR REMEDIATING SPILLED OR LEAKED**
10 **SEWAGE OR SLUDGE IN THE SANITARY DISTRICT.**

11 **(C) ON JULY 1, 2015, AND JULY 1 OF EACH SUCCEEDING YEAR, THE**
12 **CHARGE, AS ESTABLISHED IN SUBSECTION (B)(2) OF THIS SECTION, MAY BE**
13 **CHANGED BY AN AMOUNT EQUAL TO THE PRIOR CALENDAR YEAR'S CHANGE IN**
14 **THE CONSUMER PRICE INDEX PUBLISHED BY THE BUREAU OF LABOR**
15 **STATISTICS OF THE UNITED STATES DEPARTMENT OF LABOR FOR URBAN**
16 **WAGE EARNERS AND CLERICAL WORKERS FOR ALL ITEMS FOR THE**
17 **WASHINGTON, D.C. METROPOLITAN AREA, OR THE SUCCESSOR INDEX.**

18 **(D) IF THE COUNTY COUNCILS DO NOT AGREE ON THE AMOUNT OF THE**
19 **SEWAGE AND SLUDGE REMEDIATION CHARGE, THE SEWAGE AND SLUDGE**
20 **REMEDICATION CHARGE IMPOSED IN THE PREVIOUS YEAR SHALL CONTINUE IN**
21 **EFFECT FOR THE FOLLOWING FISCAL YEAR.**

22 **(E) IF THE SEWAGE AND SLUDGE REMEDIATION CHARGE ESTABLISHED**
23 **BY THE COUNTY COUNCILS IS LESS THAN THE AMOUNT NECESSARY TO RECOVER**
24 **THE FULL COST OF REMEDIATING SEWAGE AND SLUDGE SPILLS AND LEAKS IN**
25 **ANY GIVEN YEAR, THE COMMISSION SHALL IDENTIFY THE PART OF THE COST OF**
26 **THE REMEDIATION THAT WILL BE PAID BY CURRENT RATEPAYERS AS:**

27 **(1) A PERCENTAGE OF ANY RATE INCREASE; AND**

28 **(2) THE ANNUAL MONETARY AMOUNT ON A TYPICAL RESIDENTIAL**
29 **CUSTOMER'S ANNUAL WATER AND SEWER BILL.**

30 **25-108.**

31 **(A) (1) THE COMMISSION SHALL DEPOSIT ALL FUNDS COLLECTED**
32 **UNDER THE SEWAGE AND SLUDGE REMEDIATION CHARGE IMPOSED IN**
33 **ACCORDANCE WITH § 25-107 OF THIS SUBTITLE INTO A \$1,000,000,000 SEWAGE**
34 **AND SLUDGE REMEDIATION CHARGE FUND.**

1 **(2) THE SEWAGE AND SLUDGE REMEDIATION CHARGE FUND IS A**
2 **SPECIAL FUND THAT MAY NOT REVERT TO GENERAL FUNDS OF THE**
3 **COMMISSION.**

4 **(B) THE COMMISSION MAY USE THE FUNDS COLLECTED FROM THE**
5 **SEWAGE AND SLUDGE REMEDIATION CHARGE ONLY TO REMEDIATE SEWAGE OR**
6 **SLUDGE SPILLS OR LEAKS IN THE SANITARY DISTRICT.**

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 October 1, 2014.