

HOUSE BILL 910

L5

5lr2207

By: **Montgomery County Delegation and Prince George's County Delegation**
Introduced and read first time: February 13, 2015
Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Washington Suburban Sanitary Commission – Polybutylene Connection Pipe**
3 **Replacement Loan Program**

4 **MC/PG 116–15**

5 FOR the purpose of requiring the Washington Suburban Sanitary Commission to establish
6 a Polybutylene Connection Pipe Replacement Loan Program; requiring the Program
7 to provide for certain eligibility requirements; requiring the Program to require
8 certain customers to repay the loan through a surcharge on the customer's water and
9 sewer bill; prohibiting the Commission from setting a surcharge greater than an
10 amount that allows the Commission to cover certain costs; providing that a person
11 who acquires property subject to a certain surcharge assumes the obligation to pay
12 the surcharge; requiring the Commission to finance loans made through the Program
13 through the Commission's general fund; and generally relating to the Polybutylene
14 Connection Pipe Replacement Loan Program of the Washington Suburban Sanitary
15 Commission.

16 BY adding to
17 Article – Public Utilities
18 Section 23–205
19 Annotated Code of Maryland
20 (2010 Replacement Volume and 2014 Supplement)

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

23 **Article – Public Utilities**

24 **23–205.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(A) THE COMMISSION SHALL ESTABLISH A POLYBUTYLENE CONNECTION**
2 **PIPE REPLACEMENT LOAN PROGRAM.**

3 **(B) THE PURPOSE OF THE PROGRAM IS TO PROVIDE LOANS TO**
4 **RESIDENTIAL CUSTOMERS TO FINANCE THE REPLACEMENT OF MALFUNCTIONING**
5 **POLYBUTYLENE PIPES ON CUSTOMER PROPERTY THAT CONNECT FROM SERVICE**
6 **CONNECTIONS TO CUSTOMER RESIDENCES.**

7 **(C) THE PROGRAM SHALL PROVIDE FOR:**

8 **(1) ELIGIBILITY REQUIREMENTS FOR PARTICIPATION IN THE**
9 **PROGRAM, INCLUDING ELIGIBILITY REQUIREMENTS FOR:**

10 **(I) THE TYPE OF CONNECTION PIPE THAT IS BEING INSTALLED**
11 **TO REPLACE THE EXISTING POLYBUTYLENE CONNECTION PIPE; AND**

12 **(II) CUSTOMERS APPLYING FOR A LOAN THROUGH THE**
13 **PROGRAM; AND**

14 **(2) LOAN TERMS AND CONDITIONS.**

15 **(D) (1) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE**
16 **PROGRAM SHALL REQUIRE A CUSTOMER TO REPAY A LOAN PROVIDED UNDER THE**
17 **PROGRAM THROUGH A SURCHARGE ON THE CUSTOMER'S WATER AND SEWER BILL.**

18 **(2) THE COMMISSION MAY NOT SET A SURCHARGE GREATER THAN AN**
19 **AMOUNT THAT ALLOWS THE COMMISSION TO RECOVER THE COSTS ASSOCIATED**
20 **WITH:**

21 **(I) FINANCING THE LOAN; AND**

22 **(II) ADMINISTERING THE PROGRAM.**

23 **(3) A PERSON WHO ACQUIRES PROPERTY SUBJECT TO A SURCHARGE**
24 **UNDER THIS SECTION ASSUMES THE OBLIGATION TO PAY THE SURCHARGE.**

25 **(E) THE COMMISSION SHALL FINANCE LOANS MADE THROUGH THE**
26 **PROGRAM FROM THE COMMISSION'S GENERAL FUND.**

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2015.