

HOUSE BILL 576

M3

8lr2967

By: **Delegates Fisher, Clark, Jackson, Morgan, Rey, and Wilson**

Introduced and read first time: January 29, 2018

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Bay Restoration Fund – On–Site Sewage Disposal System Grants and Loans –**
3 **Proof of Income**

4 FOR the purpose of authorizing a homeowner to submit certain documentation as proof of
5 income for a grant or loan to upgrade or repair certain on–site sewage disposal
6 systems; and generally relating to the Bay Restoration Fund.

7 BY repealing and reenacting, without amendments,
8 Article – Environment
9 Section 9–1605.2(h)(1) and (2)
10 Annotated Code of Maryland
11 (2014 Replacement Volume and 2017 Supplement)

12 BY adding to
13 Article – Environment
14 Section 9–1605.2(h)(8)
15 Annotated Code of Maryland
16 (2014 Replacement Volume and 2017 Supplement)

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

19 **Article – Environment**

20 9–1605.2.

21 (h) (1) With regard to the funds collected under subsection (b)(1)(i)1 of this
22 section from users of an on–site sewage disposal system or holding tank that receive a water
23 bill and subsection (b)(1)(i)2 and 3 of this section, beginning in fiscal year 2006, the
24 Comptroller shall:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) Establish a separate account within the Bay Restoration Fund;
2 and

3 (ii) Disburse the funds as provided under paragraph (2) of this
4 subsection.

5 (2) The Comptroller shall:

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

7 1. Subject to paragraphs (3), (4), (5), and (6) of this
8 subsection, with priority first given to failing systems and holding tanks located in the
9 Chesapeake and Atlantic Coastal Bays Critical Area and then to failing systems that the
10 Department determines are a threat to public health or water quality, grants or loans for
11 up to 100% of:

12 A. The costs attributable to upgrading an on-site sewage
13 disposal system to the best available technology for the removal of nitrogen;

14 B. The cost difference between a conventional on-site sewage
15 disposal system and a system that utilizes the best available technology for the removal of
16 nitrogen;

17 C. The cost of repairing or replacing a failing on-site sewage
18 disposal system with a system that uses the best available technology for nitrogen removal;

19 D. The cost, up to the sum of the costs authorized under item
20 B of this item for each individual system, of replacing multiple on-site sewage disposal
21 systems located in the same community with a new community sewerage system that is
22 owned by a local government and that meets enhanced nutrient removal standards; or

23 E. The cost, up to the sum of the costs authorized under item
24 C of this item for each individual system, of connecting a property using an on-site sewage
25 disposal system to an existing municipal wastewater facility that is achieving enhanced
26 nutrient removal or biological nutrient removal level treatment, including payment of the
27 principal, but not interest, of debt issued by a local government for such connection costs;

28 2. The reasonable costs of the Department, not to exceed 8%
29 of the funds deposited into the separate account, to:

30 A. Implement an education, outreach, and upgrade program
31 to advise owners of on-site sewage disposal systems and holding tanks on the proper
32 maintenance of the systems and tanks and the availability of grants and loans under item
33 1 of this item;

34 B. Review and approve the design and construction of on-site
35 sewage disposal system or holding tank upgrades;

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

3 D. Provide technical support for owners of upgraded on-site
4 sewage disposal systems or holding tanks to operate and maintain the upgraded systems;

5 3. A portion of the reasonable costs of a local public entity
6 that has been delegated by the Department under § 1-301(b) of this article to administer
7 and enforce environmental laws, not to exceed 10% of the funds deposited into the separate
8 account, to implement regulations adopted by the Department for on-site sewage disposal
9 systems that utilize the best available technology for the removal of nitrogen; and

10 4. Subject to paragraph (7) of this subsection, financial
11 assistance to low-income homeowners, as defined by the Department, for up to 50% of the
12 cost of an operation and maintenance contract of up to 5 years for an on-site sewage
13 disposal system that utilizes nitrogen removal technology; and

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

17 **(8) FOR A GRANT OR LOAN ISSUED UNDER PARAGRAPH (2)(I)1 AND 4**
18 **OF THIS SUBSECTION, A HOMEOWNER MAY SUBMIT THE FOLLOWING**
19 **DOCUMENTATION AS PROOF OF THE HOMEOWNER’S INCOME:**

20 **(I) A COPY OF THE HOMEOWNER’S INCOME TAX RETURN FOR**
21 **THE PREVIOUS TAXABLE YEAR; OR**

22 **(II) A LETTER FROM A CERTIFIED PUBLIC ACCOUNTANT OR**
23 **INCOME TAX PREPARER CERTIFYING THE HOMEOWNER’S INCOME.**

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 2018.