

# HOUSE BILL 1765

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8lr3760

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By: **Delegate Lafferty**

Introduced and read first time: February 23, 2018

Assigned to: Rules and Executive Nominations

Re-referred to: Environment and Transportation, March 5, 2018

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 13, 2018

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **On-Site Sewage Disposal Systems – Watershed Implementation Plan and Bay**  
3 **Restoration Fund Disbursements and Financial Assistance**

4 FOR the purpose of authorizing ~~a local jurisdiction to count a~~ a certain reduction in nitrogen  
5 from a certain upgrade to an on-site sewage disposal system to count toward a  
6 nitrogen load reduction required in a certain watershed implementation plan under  
7 certain circumstances; authorizing a certain reduction in nitrogen from a certain  
8 pump out of an on-site sewage disposal system to count toward a nitrogen load  
9 reduction required in a certain watershed implementation plan under certain  
10 circumstances; authorizing certain fee revenue deposited in the Bay Restoration  
11 Fund to be used by a local jurisdiction to provide a certain amount of financial  
12 assistance to certain homeowners for the reasonable cost of ~~an operation and~~  
13 ~~maintenance contract for the~~ pumping out of an on-site sewage disposal system at  
14 certain intervals; authorizing certain fee revenue deposited into the Fund to be used,  
15 in certain fiscal years, for financial assistance to a local jurisdiction for the  
16 development of a certain plan; specifying that the amount of financial assistance  
17 under this Act is based on homeowner income and is subject to a certain priority;  
18 specifying that financial assistance under this Act may be provided only if the  
19 homeowner verifies a certain ~~operation and maintenance contract~~ pump out has  
20 occurred and resides in a local jurisdiction that has developed and implemented a  
21 certain septic stewardship plan that meets certain requirements; requiring the  
22 Department of the Environment to convene a certain meeting of certain individuals  
23 for certain purposes; and generally relating to on-site sewage disposal systems.

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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 BY adding to  
 2 Article – Environment  
 3 Section 9–1108.2 and 9–1605.2(h)(2)(i)5. and 6. and (8)  
 4 Annotated Code of Maryland  
 5 (2014 Replacement Volume and 2017 Supplement)

6 BY repealing and reenacting, without amendments,  
 7 Article – Environment  
 8 Section 9–1605.2(a)(4) and (h)(1) and ~~(2)(i)4. and (ii)~~ (2)(ii)  
 9 Annotated Code of Maryland  
 10 (2014 Replacement Volume and 2017 Supplement)

11 BY repealing and reenacting, with amendments,  
 12 Article – Environment  
 13 Section 9–1605.2(h)(2)(i)3. and 4.  
 14 Annotated Code of Maryland  
 15 (2014 Replacement Volume and 2017 Supplement)

16 BY repealing and reenacting, without amendments,  
 17 Article – Natural Resources  
 18 Section 8–2A–01(a) and (e)  
 19 Annotated Code of Maryland  
 20 (2012 Replacement Volume and 2017 Supplement)

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

23 **Article – Environment**

24 **9–1108.2.**

25 (A) IN THIS SECTION, “WATERSHED IMPLEMENTATION PLAN” HAS THE  
 26 MEANING STATED IN § 8–2A–01 OF THE NATURAL RESOURCES ARTICLE.

27 ~~(B) A REDUCTION IN NITROGEN FROM UPGRADING AN ON-SITE SEWAGE~~  
 28 ~~DISPOSAL SYSTEM TO THE BEST AVAILABLE TECHNOLOGY FOR THE REMOVAL OF~~  
 29 ~~NITROGEN MAY COUNT TOWARD A NITROGEN LOAD REDUCTION REQUIRED IN A~~  
 30 ~~LOCAL JURISDICTION’S WATERSHED IMPLEMENTATION PLAN IF THERE IS A~~  
 31 ~~CURRENT OPERATION AND MAINTENANCE CONTRACT FOR THE ON-SITE SEWAGE~~  
 32 ~~DISPOSAL SYSTEM.~~

33 (B) THE FOLLOWING MAY COUNT TOWARD A NITROGEN LOAD REDUCTION  
 34 IDENTIFIED IN THE STATE’S OR A LOCAL JURISDICTION’S WATERSHED  
 35 IMPLEMENTATION PLAN:

1           **(1) A REDUCTION IN NITROGEN FROM UPGRADING AN ON-SITE**  
2 **SEWAGE DISPOSAL SYSTEM TO THE BEST AVAILABLE TECHNOLOGY FOR THE**  
3 **REMOVAL OF NITROGEN IF THE OPERATION AND MAINTENANCE FOR THE ON-SITE**  
4 **SEWAGE DISPOSAL SYSTEM IS CURRENT; AND**

5           **(2) A REDUCTION IN NITROGEN FROM PUMPING OUT AN ON-SITE**  
6 **SEWAGE DISPOSAL SYSTEM THAT IS SUBJECT TO A LOCAL JURISDICTION'S SEPTIC**  
7 **STEWARDSHIP PLAN IF THE LOCAL JURISDICTION'S SEPTIC STEWARDSHIP PLAN**  
8 **MEETS THE REQUIREMENTS UNDER SUBSECTION (H)(8)(III)2 OF THIS SECTION.**

9 9-1605.2.

10           (a)   (4)   There is established a Bay Restoration Fee to be paid by any user of a  
11 wastewater facility, an on-site sewage disposal system, or a holding tank that:

12                   (i)   Is located in the State; or

13                   (ii)   Serves a Maryland user and is eligible for funding under this  
14 subtitle.

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

19                   (i)   Establish a separate account within the Bay Restoration Fund;  
20 and

21                   (ii)   Disburse the funds as provided under paragraph (2) of this  
22 subsection.

23           (2)   The Comptroller shall:

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

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

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

1                   **5. SUBJECT TO PARAGRAPH (8) OF THIS SUBSECTION, A**  
 2 **LOCAL JURISDICTION TO PROVIDE FINANCIAL ASSISTANCE TO ELIGIBLE**  
 3 **HOMEOWNERS FOR THE REASONABLE COST OF AN OPERATION AND MAINTENANCE**  
 4 **~~CONTRACT THAT PROVIDES FOR, AT LEAST ONCE EVERY 5 YEARS, THE~~ PUMPING OUT**  
 5 **~~OF AN ON-SITE SEWAGE DISPOSAL SYSTEM, AT LEAST ONCE EVERY 5 YEARS, UNLESS~~**  
 6 **A MORE FREQUENT PUMP OUT SCHEDULE IS RECOMMENDED DURING AN**  
 7 **INSPECTION, NOT TO EXCEED 10% OF THE FUNDS ALLOCATED TO THE LOCAL**  
 8 **JURISDICTION; AND**

9                   **6. IN FISCAL YEARS 2020 AND 2021, FINANCIAL**  
 10 **ASSISTANCE TO A LOCAL JURISDICTION FOR THE DEVELOPMENT OF A SEPTIC**  
 11 **STEWARDSHIP PLAN THAT MEETS THE REQUIREMENTS UNDER PARAGRAPH (8)(III)2**  
 12 **OF THIS SUBSECTION; AND**

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

16                   **(8) (I) THE AMOUNT OF FINANCIAL ASSISTANCE UNDER**  
 17 **PARAGRAPH (2)(I)5 OF THIS SUBSECTION SHALL BE BASED ON HOMEOWNER**  
 18 **INCOME, WITH PRIORITY GIVEN TO LOW-INCOME HOMEOWNERS.**

19                   **(II) FINANCIAL ASSISTANCE UNDER PARAGRAPH (2)(I)5 OF**  
 20 **THIS SUBSECTION MAY BE PROVIDED THROUGH GRANTS, REBATES, OR LOW- OR**  
 21 **NO-INTEREST LOANS.**

22                   **(III) FINANCIAL ASSISTANCE UNDER PARAGRAPH (2)(I)5 OF**  
 23 **THIS SUBSECTION MAY BE PROVIDED ONLY IF:**

24                   **1. THE HOMEOWNER VERIFIES THE ~~OPERATION AND~~**  
 25 **~~MAINTENANCE CONTRACT~~ PUMP OUT HAS OCCURRED; AND**

26                   **2. THE HOMEOWNER RESIDES IN A LOCAL**  
 27 **JURISDICTION THAT HAS DEVELOPED AND IMPLEMENTED A SEPTIC STEWARDSHIP**  
 28 **PLAN THAT:**

29                   **A. HAS BEEN ADOPTED BY THE LOCAL GOVERNING BODY**  
 30 **OF THE JURISDICTION, AFTER CONSULTATION WITH THE JURISDICTION'S LOCAL**  
 31 **HEALTH DEPARTMENT;**

32                   **~~A.~~ B. STATES SPECIFIC GOALS CONSISTENT WITH THE**  
 33 **NITROGEN LOAD REDUCTION REQUIRED IDENTIFIED IN THE LOCAL JURISDICTION'S**  
 34 **WATERSHED IMPLEMENTATION PLAN;**

1 ~~B.~~ C. SPECIFIES PUBLIC EDUCATION AND OUTREACH  
2 MEASURES THAT WILL BE TAKEN, INCLUDING EDUCATION AND OUTREACH ON BEST  
3 MANAGEMENT PRACTICES, LEGAL REQUIREMENTS, AND EXISTING SUPPORT AND  
4 FINANCIAL ASSISTANCE;

5 ~~C.~~ D. PROVIDES TECHNICAL GUIDANCE FOR THE SITING,  
6 DESIGN, EVALUATION, AND CONSTRUCTION OF AN ON-SITE SEWAGE DISPOSAL  
7 SYSTEM;

8 ~~D.~~ E. REQUIRES AN ON-SITE SEWAGE DISPOSAL SYSTEM  
9 LOCATED ON RESIDENTIAL PROPERTY TO BE PUMPED OUT AND INSPECTED ~~AND~~  
10 ~~HAVE ITS WATER TESTED~~ AT LEAST ONCE EVERY 5 YEARS, UNLESS A MORE  
11 FREQUENT PUMP OUT SCHEDULE IS RECOMMENDED DURING AN INSPECTION;

12 ~~E.~~ F. REQUIRES AN ON-SITE SEWAGE DISPOSAL SYSTEM  
13 LOCATED ON COMMERCIAL PROPERTY TO BE PUMPED OUT AND INSPECTED AT  
14 LEAST ONCE EVERY 5 YEARS, UNLESS A MORE FREQUENT PUMP OUT SCHEDULE IS  
15 RECOMMENDED DURING AN INSPECTION;

16 ~~F.~~ G. SPECIFIES CERTIFICATION AND LICENSING  
17 PROCEDURES FOR A PERSON THAT PUMPS OUT AND INSPECTS ON-SITE SEWAGE  
18 DISPOSAL SYSTEMS;

19 ~~G.~~ H. SPECIFIES ENFORCEMENT MECHANISMS,  
20 COMPLIANCE INCENTIVES, AND PENALTIES;

21 ~~H.~~ I. OUTLINES FUNDING MECHANISMS TO SUPPORT THE  
22 PLAN AND EXPAND EDUCATION, DEMONSTRATION PROJECTS, AND INSPECTIONS;

23 ~~I.~~ J. SPECIFIES REQUIREMENTS FOR RECORD KEEPING;  
24 AND

25 ~~J.~~ K. ESTABLISHES A PROCESS FOR PERIODICALLY  
26 EVALUATING AND REVISING THE PLAN.

## 27 Article – Natural Resources

28 8-2A-01.

29 (a) In this subtitle the following words have the meanings indicated.

30 (e) “Watershed implementation plan” means a plan to achieve the nutrient and  
31 sediment limits required under the Chesapeake Bay total maximum daily load.

1 SECTION 2. AND BE IT FURTHER ENACTED, That the Department of the  
2 Environment shall convene a meeting of representatives of county environmental health  
3 directors, local government Watershed Implementation Plan programs, the environmental  
4 community, and on-site sewage disposal system installers and inspectors to:

5 (1) ensure that appropriate local government personnel are given access to  
6 the Best Available Technology Management and Network in order to implement the  
7 provisions of § 9-1108.2 of the Environment Article as enacted by this Act;

8 (2) ensure that local government personnel receive the appropriate  
9 training to access and use the Network; and

10 (3) review and offer recommendations on improving the general  
11 accessibility, ease of use, and functionality of the Network.

12 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
13 October 1, 2018.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.