

SENATE BILL 799

N1, C5

6lr3428
CF 6lr2979

By: Senator McKay

Introduced and read first time: February 6, 2026

Assigned to: Education, Energy, and the Environment

A BILL ENTITLED

1 AN ACT concerning

2 **Water Companies and Sewage Disposal Companies – Eminent Domain**
3 **Proceedings and Service Rates**

4 FOR the purpose of prohibiting the Public Service Commission from approving a rate
5 increase for a water company or a sewage disposal company if a county or
6 municipality has commenced or indicated an intent to commence a certain eminent
7 domain proceeding; requiring a fact finder to consider certain factors in an eminent
8 domain proceeding involving a water company or a sewage disposal company; and
9 generally relating to water companies, sewage disposal companies, and eminent
10 domain proceedings.

11 BY repealing and reenacting, without amendments,
12 Article – Public Utilities
13 Section 1–101(a), (z), (gg), (uu), and (vv)
14 Annotated Code of Maryland
15 (2025 Replacement Volume and 2025 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Public Utilities
18 Section 4–203
19 Annotated Code of Maryland
20 (2025 Replacement Volume and 2025 Supplement)

21 BY adding to
22 Article – Real Property
23 Section 12–105.2
24 Annotated Code of Maryland
25 (2023 Replacement Volume and 2025 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Public Utilities

2 1-101.

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

4 (z) (1) "Public service company" means a common carrier company, electric
5 company, gas company, sewage disposal company, telegraph company, telephone company,
6 water company, or any combination of public service companies.

7 (2) "Public service company" does not include:

11 (ii) a person that owns or operates equipment used for charging
12 electric vehicles, including a person that owns or operates:

13 1. an electric vehicle charging station;

17 (gg) "Sewage disposal company" means a privately owned public service company
18 that owns or maintains facilities for the disposal of sewage.

19 (uu) "Water company" means a public service company that owns a water plant
20 and sells or distributes water for gain.

21 (vv) "Water plant" means the material, equipment, and property owned by a water
22 company and used or to be used for or in connection with water service.

23 4-203.

24 (a) Unless otherwise ordered by the Commission, a public service company may
25 not establish a new rate or change in rate unless the public service company:

26 (1) provides to the Commission notice of the new rate or change in rate at
27 least 30 days before the new rate is established or current rate is changed; and

(2) publishes the new rate or change in rate in accordance with § 4-202 of this subtitle during the entire 30 day notice period in new schedules or plainly indicated amendments to existing schedules.

3 (1) the changes that it proposes to the rate schedules currently in force;
4 and

5 (2) the effective date of the changes.

6 (c) (1) The technical staff of the Commission may assist a water company or a
7 sewage disposal company in establishing a proposed just and reasonable rate.

(2) In assisting a water company or a sewage disposal company under this subsection, the technical staff may seek information from the water company or the sewage disposal company.

15 (4) The Commission shall adopt regulations to establish formal rules for
16 staff-assisted rate cases authorized under this subsection.

17 (D) THE COMMISSION MAY NOT APPROVE A RATE INCREASE FOR A WATER
18 COMPANY OR A SEWAGE DISPOSAL COMPANY IF A COUNTY OR MUNICIPALITY HAS
19 COMMENCED OR INDICATED AN INTENT TO COMMENCE A CONDEMNATION
20 PROCEEDING IN ACCORDANCE WITH TITLE 12 OF THE REAL PROPERTY ARTICLE.

Article – Real Property

22 12-105.2.

23 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
24 INDICATED.

29 **(B) A FACT FINDER IN A CONDEMNATION PROCEEDING INVOLVING A WATER**
30 **COMPANY OR A SEWAGE DISPOSAL COMPANY SHALL CONSIDER:**

1 **(1) ANY REASONABLE SYSTEM UPGRADES NECESSARY FOR THE**
2 **WATER COMPANY OR SEWAGE DISPOSAL COMPANY TO PROVIDE SAFE AND RELIABLE**
3 **SERVICE; AND**

4 **(2) THE VALUE TO CUSTOMERS FROM ANY POTENTIAL REDUCTIONS**
5 **IN WATER OR SEWER BILLS IF THE WATER COMPANY OR SEWAGE DISPOSAL**
6 **COMPANY IS ACQUIRED BY A COUNTY OR MUNICIPALITY THROUGH CONDEMNATION.**

7 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect**
8 **October 1, 2026.**