

In Favor of HB878 - Bay Restoration Fund - County Authority to Incur Indebtedness

To Environment and Transportation Committee Members,

My name is Eddie Harrison, I am the legislative liaison representing MOWPA (Maryland Onsite Wastewater Professionals Association). MOWPA represents all Maryland professionals in the Onsite Industry. We have in our membership: Installers, Pumpers, Engineers, Property Transfer Inspectors, Operation and Maintenance Providers, and Code Officials.

[The Maryland Onsite Wastewater Professionals Association (MOWPA) is a 501 C(6) not-for-profit organization, chartered in September 2004 to provide education and training programs for individuals and companies working in the onsite sewage disposal system industry.

OUR MISSION....to promote and enhance the use of onsite wastewater treatment and disposal by providing a forum for education, development and information transfer in order to create viable treatment processes, design, construction, operation and maintenance capabilities within the onsite industry. www.mowpa.org

I represent MOWPA as an un-compensated Legislative Liaison, current Vice-President, and former Board President.

My day job is the owner of BAT Onsite, LLC. BAT Onsite, LLC., which is primarily an Operation and Maintenance Provider for automated Onsite Wastewater Systems. Including, but not limited to: Advanced Treatment Units (including BAT), Pump Systems, Mound Systems, Drip Dispersal Systems, and pretty much any Onsite Wastewater System that requires electrical/mechanical operation under 5,000 gallons per day. I am currently servicing over 500 units, covering the whole State of Maryland. I have been working in the Onsite Wastewater Industry as an installer, pumper, designer, property transfer inspector, and operation and maintenance provider since 1984.

The Onsite Wastewater System (Septic System) is the most expensive appliance in the home.

In my experience, in the Onsite Wastewater Industry, and most all of the membership that I represent from MOWPA will agree, have seen inaction on properties with failing Onsite Wastewater Systems due to affordability. (Abandoned properties, or systems chronically leaky onto the ground and endangering public health and the environment.)

The Onsite Wastewater Industry has evolved tremendously since the 1950s. The logic back then was, "Just dig a hole in the ground and the water will go away". Many people, today, still subscribe to this mentality. We learned from those times that not all soil will dispose of the wastewater. We also have learned that just because it goes into the ground, that it does not go away. There were building lots created prior to the 1970s that could not support an Onsite System. Some are too small. (Waterfront developments can have 1/8 acre lots with a house, there are lots created all over the State that are only 1/2 acre lots with a house) Some developments are on soils that just don't perc for one reason or another. And these lots have homes on them today, and are failing today, in increasing numbers. Discovering these properties is partly due to more thorough Property Transfer Inspections. Causes of the failures are due to the condensing of development and to the aging of the systems.

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Many repairs to these aging systems require a more sophisticated treatment and dispersal of the wastewater. A large number of these systems require Advanced Treatment Units (ATUs), as part of the system, to pretreat the wastewater to a cleaner condition and allow for a smaller dispersal system. These ATUs are not new. MDE has designated SOME of them as BAT. They have been experimenting with these technologies for a very long time. I can show you two subdivisions in Frederick County where ATU technology was installed in the early 1970s to compensate for the smaller lot sizes.

After the treatment, there is the dispersal. This is where the effluent, whether from a conventional septic tank or an ATU, is disposed into the ground. The more conventional means to do this are through deep trenches, tile fields, or drywells. A majority of the systems installed today still utilize these conventional methods. But more and more new home systems, today, are utilizing Sand Mounds, At-Grade Mounds, and Low-Pressure Dosing Systems. Repairs to older homes are also using Drip Dispersal Systems, Modified Mounds, Seepage Beds, Lagoons, Constructed Wetlands, and combinations and hybrids of these technologies.

When repairing the older properties on marginal soils the more advanced treatment and dispersal technologies are utilized. Many of these properties are occupied by people with middle to lower income levels. Some of these systems can range from \$20,000 to \$50,000, and sometimes more.

These properties can be owner occupied or rentals. In either case, the cost to do the repairs can be cost prohibitive. There are many properties across the whole State that are in failure and are either being pumped on a frequent schedule, or even worse, running out onto the ground to drain down the street and into local waterways.

Many times, these failures are discovered at property transfer. When a property is being sold, and financed, the financial institution will require a Property Transfer Onsite Wastewater System Inspection. When it is determined that the property requires the more advanced repair, the struggle ensues to locate funding. The BRF program will supply a BAT Advanced Treatment Unit for free in most cases. But the dispersal system can be an additional \$20,000 to \$30,000. The BRF will cover some of the cost of the dispersal system if the property owner is "Low Income". Many property owners can't meet the low-income threshold, and still have no means to afford completing the repair.

Another obstacle is time. When a failing system is discovered at Property Transfer, there is usually a sales contract with a deadline. Applying for BRF Grant money and any other financing options eat a lot of time. If the property owner believes they qualify for a low-income loan or grant from a government source, it can take 6 to 8 weeks to qualify. If they don't feel they qualify for the low-income programs, then they are struggling to find conventional financing of some sort. Many times, there is no equity in the property to cover the cost of the repair, from either the seller or the buyer. In these cases, the sale will be canceled, the property owner can't afford the repair, and either continues to operate the failed system, or the property may fall into foreclosure. The financial institution will try to sell the property and it sets for years in an abandoned state. An investor may purchase it than realize the unaffordability and let it set some more. And then we end up with a blight in the neighborhood, lowering property values.

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This initiative is so great, because it creates additional moneys without the need to pull more money from the General Fund or Tax Payers.

Any additional sources of funding to repair these failing systems is very welcome in the industry. This will help our customers avoid loss of their property values and protect public health. With this bill, we hope that with bonding and the ability to loan the money against the property and add the indebtedness to the property taxes, that the approval process will be streamlined and much quicker. Since the loan will be against the property and not the owner, there will be no income requirement or credit revue. The repayment would be done as an add on to the property tax bill, much like public sewer hookups are handled on certain properties.

I ask for favorable report of **HB878 - Bay Restoration Fund - County Authority to Incur Indebtedness**

Thank you for your time,

Eddie Harrison