

HOUSE BILL 667

L5

71r0547

By: **Montgomery County Delegation and Prince George's County Delegation**
Introduced and read first time: February 8, 2007
Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Washington Suburban Sanitary District – System Development Charge –**
3 **Exemptions**

4 **MC/PG 116–07**

5 FOR the purpose of authorizing the County Councils of Montgomery County and
6 Prince George's County to grant an exemption from a system development
7 charge imposed by the Washington Suburban Sanitary District for certain
8 properties owned by certain entities that are exempt from federal taxation and
9 whose primary mission and purpose is to provide programs and services to
10 youth under certain circumstances and for certain projects that include a
11 commitment to preserve certain open space under the definitions, conditions,
12 and requirements that the County Councils set; and generally relating to the
13 Washington Suburban Sanitary District and the system development charge.

14 BY repealing and reenacting, without amendments,
15 Article 29 – Washington Suburban Sanitary District
16 Section 6–113(b)
17 Annotated Code of Maryland
18 (2003 Replacement Volume and 2006 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article 29 – Washington Suburban Sanitary District
21 Section 6–113(c)
22 Annotated Code of Maryland
23 (2003 Replacement Volume and 2006 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article 29 – Washington Suburban Sanitary District**

4 6–113.

5 (b) (1) Subject to the provisions of this section, in addition to any other
6 charges authorized under this article, the WSSC may impose a system development
7 charge that shall be paid by an applicant for new service.

8 (2) The system development charge shall be paid as follows:

9 (i) For residential properties:

10 1. 50% at the time the application is filed; and

11 2. 50% within 12 months after the date on which a
12 plumbing permit application is filed with the Commission or on transfer of title to the
13 property, whichever occurs first; and

14 (ii) For other properties, 100% at the time the plumbing permit
15 application is filed.

16 (3) At the time of the filing of the plumbing permit application, the
17 applicant shall deposit with the WSSC security in the form of an irrevocable letter of
18 credit or a financial guaranty bond or in a form established and approved by the
19 WSSC under its rules and regulations.

20 (c) (1) (i) The Montgomery County Council and the Prince George's
21 County Council shall meet annually to discuss and approve the amount of the system
22 development charge.

23 (ii) The amount of the charge for a particular property:

24 1. Shall be based on the number of plumbing fixtures
25 and the assigned values for those fixtures as set forth in the WSSC plumbing and gas
26 fitting regulations;

27 2. Except as provided in item 3 of this subparagraph, on
28 or after July 1, 1998, may not exceed \$200 per fixture unit;

1 3. For residential properties with five or fewer toilets,
2 shall be based on the number of toilets per dwelling unit and:

3 A. For each apartment unit, may not exceed \$2,000;

4 B. For dwellings with one or two toilets, may not exceed
5 \$3,000;

6 C. For dwellings with three to four toilets, may not
7 exceed \$5,000; or

8 D. For dwellings with five toilets, may not exceed \$7,000;
9 and

10 4. For dwellings with more than five toilets, shall be
11 calculated on a fixture unit basis.

12 (iii) When establishing the charge under this section, the County
13 Councils shall identify and consider the actual cost of construction of WSSC facilities.

14 (iv) When establishing the charge under this section, under
15 criteria established jointly and agreed to by the County Councils, the County Councils:

16 1. Shall grant a full or partial exemption from the
17 charge for public sponsored or affordable housing as jointly defined and agreed upon
18 by the County Councils;

19 2. May grant a full or partial exemption from the charge
20 for:

21 A. [revitalization] **REVITALIZATION** projects;

22 B. **PROPERTY OWNED BY A COMMUNITY-BASED**
23 **ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE**
24 **INTERNAL REVENUE CODE AND WHOSE PRIMARY MISSION AND PURPOSE IS TO**
25 **PROVIDE PROGRAMS AND SERVICES TO YOUTH SO LONG AS THE PROPERTY IS**
26 **USED PRIMARILY FOR SERVICES TO YOUTH; OR**

27 C. **PROJECTS THAT INCLUDE A COMMITMENT FOR**
28 **THE PRESERVATION OF OPEN SPACE, UNDER THE DEFINITIONS, CONDITIONS,**
29 **AND REQUIREMENTS AS JOINTLY AGREED ON BY THE COUNTY COUNCILS; and**

1 3. May grant a full or partial exemption from the charge,
2 under conditions prescribed by the County Councils, for:

3 A. Residential property located in a mixed retirement
4 development as defined in the zoning ordinance of Prince George's County;

5 B. Residential property located in a planned retirement
6 community as defined in the zoning ordinance of Montgomery County;

7 C. Other elderly housing; or

8 D. Properties used for biotechnology research and
9 development, or manufacturing.

10 (v) On July 1, 1999, and July 1 of each succeeding year, the
11 maximum charge, as established in subparagraph (ii) of this paragraph, may be
12 changed by an amount equal to the prior calendar year's change in the consumer price
13 index published by the Bureau of Labor Statistics of the United States Department of
14 Labor for urban wage earners and clerical workers for all items for the Washington,
15 D.C. metropolitan area, or the successor index.

16 (2) If the charge established by the County Councils is less than the
17 amount necessary to recover the full cost of constructing growth related facilities, the
18 WSSC shall identify the portion of the cost of that growth that will be paid by current
19 ratepayers as:

20 (i) A percentage of any rate increase; and

21 (ii) The annual monetary amount on a typical residential
22 customer's annual water and sewer bill.

23 (3) If the County Councils do not agree on the amount of the charge,
24 the charge imposed during the previous year shall continue in effect for the following
25 fiscal year.

26 (4) If the County Councils have not previously agreed on any system
27 development charge, a system development charge may not be imposed during that
28 fiscal year.

29 (5) (i) Before July 1, 1994, the WSSC may not impose a system
30 development charge in an amount greater than 50% of the charge established by the
31 County Councils under this subsection.

1 (ii) Before July 1, 1995, the WSSC may not impose a system
2 development charge greater than 75% of the charge established by the County
3 Councils under this subsection.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 July 1, 2007.