

Bill No.: _____

Requested: _____

Committee: _____

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By: **Montgomery County Delegation and Prince George’s County Delegation**

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,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



20 Article 29 – Washington Suburban Sanitary District
21 Section 6–113(c)
22 Annotated Code of Maryland
23 (2003 Replacement Volume and 2006 Supplement)

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

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

27 6–113.

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

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

32 (i) For residential properties:

33 1. 50% at the time the application is filed; and

34 2. 50% within 12 months after the date on which a
35 plumbing permit application is filed with the Commission or on transfer of title to the
36 property, whichever occurs first; and

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

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

43 (c) (1) (i) The Montgomery County Council and the Prince George’s
44 County Council shall meet annually to discuss and approve the amount of the system
45 development charge.

- 46 (ii) The amount of the charge for a particular property:
- 47 1. Shall be based on the number of plumbing fixtures
48 and the assigned values for those fixtures as set forth in the WSSC plumbing and gas
49 fitting regulations;
- 50 2. Except as provided in item 3 of this subparagraph, on
51 or after July 1, 1998, may not exceed \$200 per fixture unit;
- 52 3. For residential properties with five or fewer toilets,
53 shall be based on the number of toilets per dwelling unit and:
- 54 A. For each apartment unit, may not exceed \$2,000;
- 55 B. For dwellings with one or two toilets, may not exceed
56 \$3,000;
- 57 C. For dwellings with three to four toilets, may not
58 exceed \$5,000; or
- 59 D. For dwellings with five toilets, may not exceed \$7,000;
60 and
- 61 4. For dwellings with more than five toilets, shall be
62 calculated on a fixture unit basis.
- 63 (iii) When establishing the charge under this section, the County
64 Councils shall identify and consider the actual cost of construction of WSSC facilities.
- 65 (iv) When establishing the charge under this section, under
66 criteria established jointly and agreed to by the County Councils, the County Councils:
- 67 1. Shall grant a full or partial exemption from the
68 charge for public sponsored or affordable housing as jointly defined and agreed upon
69 by the County Councils;
- 70 2. May grant a full or partial exemption from the charge
71 for:

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

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

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

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

83 A. Residential property located in a mixed retirement
84 development as defined in the zoning ordinance of Prince George’s County;

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

87 C. Other elderly housing; or

88 D. Properties used for biotechnology research and
89 development, or manufacturing.

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

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

- 100 (i) A percentage of any rate increase; and
- 101 (ii) The annual monetary amount on a typical residential
102 customer's annual water and sewer bill.
- 103 (3) If the County Councils do not agree on the amount of the charge,
104 the charge imposed during the previous year shall continue in effect for the following
105 fiscal year.
- 106 (4) If the County Councils have not previously agreed on any system
107 development charge, a system development charge may not be imposed during that
108 fiscal year.
- 109 (5) (i) Before July 1, 1994, the WSSC may not impose a system
110 development charge in an amount greater than 50% of the charge established by the
111 County Councils under this subsection.
- 112 (ii) Before July 1, 1995, the WSSC may not impose a system
113 development charge greater than 75% of the charge established by the County
114 Councils under this subsection.
- 115 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
116 July 1, 2007.