



**ROLE OF THE BAY
RESTORATION FUND
ADVISORY COMMITTEE**

Senate Bill 320



Committee Responsibilities

- (6) THE COMMITTEE SHALL:
 - (I) PERFORM AN ANALYSIS OF THE COST OF NUTRIENT REMOVAL FROM WASTEWATER FACILITIES;
 - (II) IDENTIFY ADDITIONAL SOURCES FOR FUNDING THE BAY RESTORATION FUND;
 - (III) MAKE RECOMMENDATIONS TO IMPROVE THE EFFECTIVENESS OF THE BAY RESTORATION FUND IN REDUCING NUTRIENT LOADINGS TO THE WATERS OF THE STATE;
 - (IV) MAKE RECOMMENDATIONS REGARDING THE APPROPRIATE RESTORATION FEE TO BE ASSESSED IN FISCAL YEAR 2008 AND SUBSEQUENT YEARS AS NECESSARY TO MEET THE FINANCING NEEDS OF THE BAY RESTORATION FUND;



Committee Responsibilities

- (V) IN CONSULTATION WITH THE GOVERNING BODY OF EACH COUNTY:
 - 1. IDENTIFY USERS OF ONSITE SEWAGE DISPOSAL SYSTEMS AND HOLDING TANKS; AND
 - 2. MAKE RECOMMENDATIONS TO THE GOVERNING BODY OF EACH COUNTY ON THE BEST METHOD OF COLLECTING THE BAY RESTORATION FEE FROM THE USERS OF ONSITE SEWAGE DISPOSAL SYSTEMS AND HOLDING TANKS THAT DO NOT RECEIVE WATER BILLS;

- (VI) ADVISE THE DEPARTMENT ON THE COMPONENTS OF AN EDUCATION, OUTREACH, AND UPGRADE PROGRAM ESTABLISHED WITHIN THE DEPARTMENT UNDER SUBSECTION (H)(2)(I)2 OF THIS SECTION;



Committee Responsibilities

- (VII) STUDY THE AVAILABILITY OF MONEY FROM THE FUND FOR THE SUPPLEMENTAL ASSISTANCE PROGRAM WITHIN THE DEPARTMENT TO PROVIDE GRANTS TO SMALLER, ECONOMICALLY DISADVANTAGED COMMUNITIES IN THE STATE TO UPGRADE THEIR WASTEWATER COLLECTION AND TREATMENT FACILITIES;

- (VIII) ADVISE THE SECRETARY CONCERNING THE ADOPTION OF REGULATIONS AS DESCRIBED IN SUBSECTION (K) OF THIS SECTION; AND

- (IX) BEGINNING JANUARY 1, 2006, AND EVERY YEAR THEREAFTER, REPORT TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON ITS FINDINGS AND RECOMMENDATIONS.



First Report - OSDS Billing

SECTION 3. AND BE IT FURTHER ENACTED, That the Bay Restoration Fund Advisory Committee, **in consultation with the governing body of each county shall study** and, subject to § 2-1246 of the State Government Article, report **on or before January 15, 2005**, to the Senate Education, Health, and Environmental Affairs Committee and the House Environmental Matters Committee **regarding methods evaluated and recommended for the collection of the Bay restoration fee by local governments from users of onsite sewage disposal systems and users of sewage holding tanks** that do not receive water bills, in accordance with § 9-1605.2 of the Environment Article, as enacted by Section 1 of this Act.



Administrative Cost Report - Counties

SECTION 4. AND BE IT FURTHER ENACTED, That, **on or before December 31, 2006**, the Bay Restoration Fund Advisory Committee, **in conjunction with the Maryland Association of Counties and the Maryland Municipal League**, shall, subject to § 2-1246 of the State Government Article, jointly report to the Senate Education, Health, and Environmental Affairs Committee and the House Environmental Matters Committee **regarding the extent of administrative costs incurred by local governments in the collection of the Bay restoration fee and the reasonableness of the reimbursement** authorized under § 9-1605.2(i)(2)(vi) of the Environment Article, as enacted under *by* Section 1 of this Act.



Administrative Cost Report - MDE

SECTION 5. AND BE IT FURTHER ENACTED, That, **on or before December 31, 2006, the Department of the Environment shall**, subject to § 2-1246 of the State Government Article, jointly report to the Senate Education, Health, and Environmental Affairs Committee and the House Environmental Matters Committee **regarding the implementation of the onsite sewage disposal system and holding tank education, outreach, and upgrade program and the extent of administrative costs incurred by the Department in the implementation of the program** authorized under §9-1605.2(h)(2)(i) of the Environment Article, as enacted by Section 1 of this Act.



Role of the Committee

- First Committee report to the Legislature is due on January 15, 2005:
 - study and report regarding methods evaluated and recommended for the collection of the Bay restoration fee by local governments from users of onsite sewage disposal systems and users of sewage holding tanks
 - in consultation with the governing body of each county,



Methods of collecting the OSDS fee

- OSDS users who receive a water bill from a public utility
 - Beginning January 1, 2005
 - All public utility water and wastewater users will receive bills
- OSDS users who receive a water bill from a private water company
 - Beginning January 1, 2005 ???
 - There are over 200 small private water companies
 - Is it better to initiate billing for these users now or wait and include them in the county billing to be initiated on October 1, 2005?
- OSDS users who have a private well and currently receive no bill
 - What billing method is most efficient for each county?



Private Water Systems: Billing of Onsite Sewage Users

- **1: SB 320 states... (Page 14, line 20) >> "The Bay Restoration Fee is: (I) Beginning January 1, 2005, for each residential dwelling that receives an individual sewer bill and each user of an onsite sewage disposal system or holding tank that receives a water bill, \$2.50 per month."**
- **2: SB 320 states... (Page 14, line 25) >> "The Bay Restoration Fee is: (II) Beginning October 1, 2005, for each user of an onsite sewage disposal system that does not receives a water bill, \$30 per year."**
- **3. SB 320 states... (Page 15, line 23) >> "If the User does not receive a water bill, for users of an onsite sewage disposal system and for users of a sewage holding tank, the County in which the onsite disposal system or holding tank is located shall be responsible for collecting the restoration fee."**
- **4: SB 320 states... (Page 17, line 15) >> "the Bay Restoration Fee shall be collected by the local government or the billing authority for the water or wastewater facility, as appropriate, on behalf of the State."**



Methods of collecting the OSDS fee

Option 1

- Identify all improved properties using the Real Property Data Base (Maryland Department of Assessments and Taxation) and County records.
- Identify all properties in areas served by public water or sewer using County Master Water and Sewer Plans.
- Delete those properties in areas served by public water or sewer from all improved properties.
- Bill improved properties not in areas served by public water and sewer.
- Provide process to appeal, as not all improved properties will actually have onsite sewage systems.



Methods of collecting the OSDS fee

Option 2

- Identify all improved properties using the Real Property Data Base (Maryland Department of Assessments and Taxation) and County records.
- Create a database with all addresses billed for water and sewer by local billing authorities (composite of many public and private water and sewer company data bases).
- Delete water and sewer billed addresses from the improved property addresses.
- This may prove more difficult than first method, although more accurate, as not all properties in the sewer service service areas utilize public services.



Role of the Committee

- In consultation with the governing body of each county...
- One approach:
 - Charge MDE Workgroup and/or create Subcommittee to develop options
 - Prepare letter to county governing bodies describing suggested billing procedure and requesting suggestions for improvement and/or alternative methods
 - Workgroup or Subcommittee to prepare summary of counties responses for Committee review and approval



Role of the Committee

- BEGINNING JANUARY 1, 2006, AND EVERY YEAR THEREAFTER, REPORT TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON ITS FINDINGS AND RECOMMENDATIONS.
 - The Legislature is also likely to request a briefing on the status of the implementation of the WWTP ENR upgrade program this legislative session even though it is not required by the law.
- Committee may want to consider establishing subcommittees to accomplish these tasks:
 - Wastewater Treatment Plant Upgrade Program Review
 - Onsite System Program Review
 - Financing
- Committee may also consult any stakeholder groups



Possible Subcommittees

- Wastewater Treatment Plant Upgrade Program Subcommittee
 - Review of MDE implementation plan
 - Review of implementation priorities
 - Review of regulations to implement the program

- Onsite Sewage Disposal System Upgrade Program Subcommittee
 - Review of MDE implementation plan
 - Review of implementation priorities
 - Review of regulations to implement the program
 - Development of educational program



Possible Subcommittees

- Financing Subcommittee
 - Analysis of program costs
 - Identification of additional revenue sources
 - Recommendations regarding the appropriate restoration fee to be assessed in 2008 and subsequent years
- Subcommittee structure
 - Made up of Committee members and other experts they choose
 - Meet separately and report back periodically to the full Committee



Schedule

- First report due January 15, 2005
 - Onsite Sewage Disposal System Upgrade Program Subcommittee to meet (possibly in conjunction with previously scheduled MDE OSDS Workgroup on Oct 20, 2004 at MDE)
 - Report back to the full Committee at next meeting (to be scheduled in November ??)
 - OSDS Subcommittee prepares draft report based on comments of the full Committee
 - Review and approval of final report at December ?? meeting of the full Committee



Schedule

- In preparation for a possible Legislative briefing this session
 - WWTP Subcommittee should review MDE's implementation plan and upgrade priority system and provide recommendations to the Secretary
 - Report back to the full Committee at next meeting

- Agenda for next meeting of the full Committee could be:
 - Briefing on OSDS billing recommendations by the OSDS Subcommittee
 - Discussion of issues
 - Review and approval of report outline and/or draft report to the Legislature
 - Briefing on the WWTP Upgrade Implementation Plan and Priority system by the WWTP Subcommittee
 - Discussion of issues
 - Review and approval of briefing information for the legislature



Administrative Issues/Action Items

- Frequency/Time/Location of future meetings
 - Set based on outcome of previous discussion
- Minutes and reporting
 - Summary minutes prepared by MDE and distributed by email
 - Detailed transcripts available
- Formation of Subcommittees
 - Chairs, members, staffing (state/local/private representatives)
 - Set meeting dates?
- Other issues?