

HOUSE BILL 335

L5

7lr0808

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

Introduced and read first time: January 25, 2017

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

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

4 **MC/PG 104–17**

5 FOR the purpose of authorizing the Montgomery County Council and the Prince George's
6 County Council to grant an exemption from a system development charge imposed
7 by the Washington Suburban Sanitary Commission under certain circumstances for
8 certain properties that are exempt from federal taxation and the primary mission
9 and purpose of which are to provide programs and services to youth, for properties
10 that are primarily used for child care or after-school care, or for distilleries,
11 breweries, and wineries; and generally relating to the Washington Suburban
12 Sanitary District and the system development charge.

13 BY repealing and reenacting, with amendments,
14 Article – Public Utilities
15 Section 25–403
16 Annotated Code of Maryland
17 (2010 Replacement Volume and 2016 Supplement)

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

20 **Article – Public Utilities**

21 25–403.

22 (a) (1) Each year the Montgomery County Council and the Prince George's
23 County Council shall meet to determine the amount of the system development charge.

24 (2) The amount of the system development charge for a particular property:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(i) shall be based on the number of plumbing fixtures and the assigned values for those fixtures as set forth in the Commission's plumbing and gas fitting regulations;

(ii) except as provided in item (iii) of this paragraph and subsection (c) of this section, may not exceed \$200 per fixture unit; and

(iii) for residential properties with five or fewer toilets, shall be based on the number of toilets per dwelling unit and:

1. for each apartment unit, may not exceed \$2,000;

2. for dwellings with one or two toilets, may not exceed \$3,000;

3. for dwellings with three or four toilets, may not exceed \$5,000;

4. for dwellings with five toilets, may not exceed \$7,000; and

5. for dwellings with more than five toilets, shall be calculated on a fixture unit basis.

(3) When determining the system development charge, the county councils shall consider the actual cost of construction of Commission facilities.

(b) When determining the system development charge, under criteria established jointly and agreed on by the county councils, the county councils:

(1) shall grant a full or partial exemption from the charge for public sponsored or affordable housing as jointly defined and agreed on by the county councils;

(2) may grant a full or partial exemption from the charge for:

(I) revitalization projects;

(II) **PROPERTY OWNED BY A COMMUNITY-BASED ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE AND HAS THE PRIMARY MISSION AND PURPOSE OF PROVIDING RECREATIONAL AND EDUCATIONAL PROGRAMS AND SERVICES TO YOUTH, IF:**

1. THE PROPERTY IS USED PRIMARILY FOR RECREATIONAL AND EDUCATIONAL PROGRAMS AND SERVICES TO YOUTH; AND

1 **2. THE EXEMPTION AMOUNT IS LIMITED TO \$80,000;**

2 **(III) PROPERTY USED PRIMARILY FOR CHILD CARE OR**
3 **AFTER-SCHOOL CARE; OR**

4 **(IV) PROPERTY USED FOR A DISTILLERY, BREWERY, OR WINERY;**
5 **and**

6 (3) may grant a full or partial exemption from the system development
7 charge, under conditions set forth by the county councils, for:

8 (i) residential property located in a mixed retirement development
9 as defined in the zoning ordinance of Prince George's County;

10 (ii) residential property located in a planned retirement community
11 as defined in the zoning ordinance of Montgomery County;

12 (iii) elderly housing other than that included in item (i) or (ii) of this
13 item; or

14 (iv) properties used for manufacturing or biotechnology research and
15 development.

16 (c) On July 1, 1999, and July 1 of each succeeding year, the maximum charge, as
17 established in subsection (a)(2) of this section, may be changed by an amount equal to the
18 prior calendar year's change in the Consumer Price Index published by the Bureau of Labor
19 Statistics of the United States Department of Labor for urban wage earners and clerical
20 workers for all items for the Washington, D.C. metropolitan area, or the successor index.

21 (d) If the county councils do not agree on the amount of the system development
22 charge, the system development charge imposed during the previous year shall continue in
23 effect for the following fiscal year.

24 (e) If the system development charge established by the county councils is less
25 than the amount necessary to recover the full cost of constructing growth related facilities,
26 the Commission shall identify the part of the cost of that growth that will be paid by current
27 ratepayers as:

28 (1) a percentage of any rate increase; and

29 (2) the annual monetary amount on a typical residential customer's annual
30 water and sewer bill.

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
32 1, 2017.