

SENATE BILL 710

M3
SB 883/23 – EEE

4lr2659

By: **Senator M. Washington**

Introduced and read first time: January 31, 2024

Assigned to: Education, Energy, and the Environment

A BILL ENTITLED

1 AN ACT concerning

2 **Water Utilities Shutoff Protections**

3 FOR the purpose of authorizing a certain water utility to temporarily shut off service for
4 certain reasons, notwithstanding certain provisions of law; prohibiting a water
5 utility from shutting off service for certain reasons; prohibiting a water utility from
6 shutting off service on receipt of certain information; prohibiting the sale of property
7 to enforce certain liens except in certain circumstances; and generally relating to
8 water service shutoff protections.

9 BY adding to
10 Article – Environment
11 Section 9–2A–01 through 9–2A–03 to be under the new subtitle “Subtitle 2A. Water
12 Shutoff Protections”
13 Annotated Code of Maryland
14 (2014 Replacement Volume and 2023 Supplement)

15 BY repealing and reenacting, without amendments,
16 Article – Environment
17 Section 9–658(g)(1)
18 Annotated Code of Maryland
19 (2014 Replacement Volume and 2023 Supplement)

20 BY repealing and reenacting, with amendments,
21 Article – Environment
22 Section 9–658(g)(2), 9–662, 9–663, 9–724, 9–939, and 9–951
23 Annotated Code of Maryland
24 (2014 Replacement Volume and 2023 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Environment

SUBTITLE 2A. WATER SHUTOFF PROTECTIONS.

9-2A-01.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “AREA MEDIAN INCOME” MEANS THE MEDIAN HOUSEHOLD INCOME FOR THE AREA ADJUSTED FOR HOUSEHOLD SIZE AS PUBLISHED AND ANNUALLY UPDATED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

(C) “CUSTOMER” MEANS A PERSON RECEIVING OR REQUESTING TO RECEIVE WATER OR SEWER SERVICE.

(D) “WATER UTILITY” MEANS A CENTRALIZED WATER SUPPLY AND SEWERAGE SYSTEM, OWNED AND OPERATED BY A POLITICAL SUBDIVISION, A SANITARY COMMISSION, OR AN AUTHORITY PROVIDING SERVICES UNDER THIS TITLE.

9-2A-02.

NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, A WATER UTILITY MAY SHUT OFF SERVICE TEMPORARILY FOR REASONS OF HEALTH OR SAFETY OR IN A STATE OR NATIONAL EMERGENCY.

9-2A-03.

(A) A WATER UTILITY MAY NOT SHUT OFF SERVICE FOR NONPAYMENT OF OVERDUE BILLS IF THE CUSTOMER OR AN AUTHORIZED REPRESENTATIVE OF THE CUSTOMER INFORMS THE WATER UTILITY THAT:

(1) THE CUSTOMER OR AN INDIVIDUAL RESIDING AT THE PREMISES HAS A SIGNIFICANT MEDICAL CONDITION, AS CERTIFIED IN WRITING BY A LICENSED MEDICAL DOCTOR OR A LOCAL DEPARTMENT OF HEALTH STATING THAT THE ABSENCE OF WATER OR SEWER SERVICE AT THE PREMISES WILL AGGRAVATE THE MEDICAL CONDITION;

(2) THE CUSTOMER OR AN INDIVIDUAL RESIDING AT THE PREMISES IS AT LEAST 65 YEARS OLD AND HAS AN INCOME AT OR BELOW 50% OF THE AREA MEDIAN INCOME; OR

(3) THE CUSTOMER OR AN INDIVIDUAL RESIDING AT THE PREMISES HAS A PHYSICAL, COGNITIVE, OR MEDICAL IMPAIRMENT RESULTING FROM ANATOMICAL, PHYSIOLOGICAL, OR NEUROLOGICAL CONDITIONS, AS CERTIFIED IN WRITING BY A LICENSED MEDICAL DOCTOR OR A LOCAL DEPARTMENT OF HEALTH, THAT PREVENTS:

(I) THE EXERCISE OF NORMAL BODILY FUNCTION;

(II) THE CUSTOMER'S OR INDIVIDUAL'S ABILITY TO MANAGE THE CUSTOMER'S OR INDIVIDUAL'S RESOURCES; OR

(III) THE CUSTOMER'S OR INDIVIDUAL'S ABILITY TO BE PROTECTED FROM NEGLECT OR HAZARDOUS SITUATIONS WITHOUT THE ASSISTANCE OF OTHERS.

(B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A WATER UTILITY MAY NOT SHUT OFF A CUSTOMER'S SERVICE SOLELY BECAUSE:

(I) THE CUSTOMER HAS NOT PAID FOR SERVICE RECEIVED AT A SEPARATE METERING POINT, RESIDENCE, OR LOCATION; OR

(II) THE CUSTOMER HAS NOT PAID FOR SERVICE AT A PREMISES OCCUPIED BY ANOTHER PERSON.

(2) AFTER GIVING A CUSTOMER NOTICE, A WATER UTILITY MAY SHUT OFF SERVICE IF THE CUSTOMER SUPPLIES A WRITTEN, NOTARIZED STATEMENT THAT THE PREMISES ARE UNOCCUPIED.

9-658.

(g) (1) To enforce the collection of unpaid benefit assessments or other charges that are at least 60 days overdue, the sanitary commission, at any time, may:

(i) Sue any person who was an owner of record of the parcel at any time since the benefit assessment was last paid; or

(ii) File a bill in equity to enforce a lien through a decree of sale of property against any person who was an owner of record of the parcel at any time since the benefit assessment was last paid.

(2) In addition to the actions that the sanitary commission may take under paragraph (1) of this subsection, in Allegany County, Dorchester County, Garrett County, and Somerset County, the sanitary commission may disconnect the service IN ACCORDANCE WITH SUBTITLE 2A OF THIS TITLE.

9–662.

(a) For each project that it operates, a district may charge the owners of parcels serviced by or connected to the project:

(1) A minimum charge; and

(2) A usage charge that is based on the use of the project by the owner of the parcel.

(b) The district shall use funds received from charges made under this section:

(1) To operate, maintain, and repair the project;

(2) To maintain proper depreciation allowances;

(3) To pay operation expenses of the district;

(4) To repay advances made by member counties under § 9–628 of this subtitle; and

(5) To pay the principal and interest on bonds issued under this subtitle.

(c) For water service, the sanitary commission:

(1) Shall make a minimum charge:

(i) That is based on the size of the meter serving the property and is uniform throughout the service area for each size of meter; and

(ii) That, for properties to which no meter is connected, is reasonable and uniform throughout the service area; and

(2) Subject to the meter size and uniformity requirements of this subsection, may change the minimum charge as necessary.

(d) For sewerage service, the sanitary commission shall:

(1) Make a minimum charge that is reasonable and uniform throughout the service area; and

(2) Collect, each year, the minimum charge in the same manner as the sanitary commission collects benefit assessments.

(e) If a minimum charge for sewerage service is unpaid, the minimum charge has the same status as an unpaid benefit assessment.

1 (f) For solid waste disposal systems, the sanitary commission shall make a
2 minimum charge that is reasonable and uniform throughout the service area.

3 (g) If the sanitary commission uses a water meter, the sanitary commission shall
4 connect the water meter at the sanitary commission's expense.

5 (h) For water usage, the sanitary commission shall make a charge that:

6 (1) Is based on meter readings; or

7 (2) If no water meter is connected to the property, is:

8 (i) Based on the estimated water usage; and

9 (ii) Uniform among unmetered properties in the service area.

10 (i) For sewerage systems and solid waste disposal systems, the sanitary
11 commission shall make a reasonable usage charge.

12 (j) Except for bills for minimum charges for sewerage services, the sanitary
13 commission:

14 (1) Shall send to each property owner:

15 (i) For water service, a bill for minimum charges and usage charges
16 for water once each 3 or 6 months; and

17 (ii) For other charges, a bill once each 3, 6, or 12 months; and

18 (2) May stagger the frequency and dates of bills sent under this section.

19 (k) The property owner promptly shall pay any bill sent under this section.

20 (l) [If a water bill is unpaid for 30 days after being sent, and after written notice
21 is left on the premises or mailed to the last known address of the owner, the sanitary
22 commission may:

23 (1) Disconnect water service to the property; and

24 (2) Require, before reconnecting water service, payment of the entire water
25 bill plus a reconnection charge reasonably related to the cost of reconnection, as established
26 by ordinance of the governing body of the county or municipal corporation in which the
27 water service is provided.

28 (m) (1) If a charge for which a bill sent under this section is in default 60 days
29 after the bill is sent, the charge is in default.

(2) When a charge is in default, it is a lien on the property and the sanitary commission may collect the charge in the same manner as benefit assessments.

(3) EXCEPT AS AUTHORIZED BY § 9-658(H) AND (I) OF THIS SUBTITLE, A COUNTY OR COUNTY TAX COLLECTOR MAY NOT SELL REAL PROPERTY SOLELY TO ENFORCE A LIEN IMPOSED FOR UNPAID WATER, SEWER, OR SANITARY SYSTEM CHARGES, FEES, OR ASSESSMENTS.

[(n)] (M) (1) This subsection applies only in Dorchester County and Somerset County.

(2) Notwithstanding any other provisions of law:

(i) A district may charge an owner of a parcel serviced by or connected to a project that the district operates a late fee for any unpaid usage charge that is based on the use of the project by the owner of the parcel;

(ii) A sanitary commission may require, before reconnecting water service, payment of any applicable late fees in addition to any other charge authorized by this section; and

(iii) A charge that is in default shall accrue interest from the date of default at a rate set by the sanitary commission.

[(o)] (N) In Garrett County, notwithstanding any other provisions of law:

(1) The district may charge an owner of a parcel serviced by or connected to a project that the district operates a late fee for any unpaid usage charge that is based on the use of the project by the owner of the parcel;

(2) The County Commissioners of Garrett County may require, before reconnecting water service, payment of any applicable late fees in addition to any other charge authorized by this section; and

(3) A charge that is in default shall accrue interest from the date of default at a rate set by the County Commissioners.

[(p)] (O) (1) This subsection applies only to property subject to a condominium regime established under Title 11 of the Real Property Article.

(2) Notwithstanding any other law, if the sanitary commission directly bills the governing body of a condominium or a person designated by the governing body of a condominium for water or sewer usage charges for all or a portion of the units in a condominium property, and a charge is in default for at least 60 days, the sanitary commission shall post notice conspicuously at or near the entry to the common area of the condominium.

(3) The sanitary commission may enter onto the common area of a condominium property at a reasonable time to post the notice required under this subsection.

9–663.

(a) A sanitary commission:

(1) Shall control the use of water in its district; and

(2) Has jurisdiction over each fire hydrant connected to a system operated by the district.

(b) **(1) [If] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IF** a sanitary commission determines that there is a shortage of water or that the supply of water should be conserved, the sanitary commission may:

[(1)] (I) Issue an order that requires the conservation of water; and

[(2)] (II) Include in the order specific requirements for conserving water use.

(2) A SANITARY COMMISSION MAY NOT SHUT OFF WATER SERVICE TO INDIVIDUALS WHO ARE PROTECTED UNDER § 9–2A–03 OF THIS TITLE.

[(c)] The sanitary commission shall publish the order in a newspaper published in each member county covered by the order.

(d) Each water user shall obey the order of the sanitary commission, effective with the earlier of:

(1) The first publication of the order; or

(2) Receipt of the order from the sanitary commission.

(e) Without notice, the sanitary commission may disconnect the water supply of any person who violates the order.]

[(f)] (C) (1) To prevent waste of water, a representative of a sanitary commission at any reasonable time may enter any property connected to a system operated by the district and inspect the plumbing system on the property.

(2) On entering any property, the representative of the sanitary commission shall present appropriate credentials to the owner, operator, or agent in charge.

(3) After the inspection, the representative of the sanitary commission may order necessary changes to the plumbing system:

- (i) To eliminate leaks;
- (ii) To prevent water loss; and
- (iii) To prevent unnecessary or improper use of sewers.

9-724.

(a) The rates for water service shall:

(1) Be based on estimates of the amount of water used by the types of users specified in the rates; and

(2) Consist of:

(i) A minimum charge based on the size of the meter on the water connection leading to the property; and

(ii) A charge for water used, based on the amount of water passing through the meter during the period between the last 2 readings.

(b) (1) At its own expense, the political subdivision shall place a meter on each water connection.

(2) If the political subdivision does not have meters available to install in all property that is connected to the system in a locality, the political subdivision shall charge a flat rate to all property in which meters are not installed.

(c) (1) The political subdivision shall send bills for water service to the property, the property owner, or the property owner's designee for each property served on a monthly, every other month, quarterly, or semiannual basis.

(2) The bills are payable at the office of the political subdivision on receipt.

(3) If any bill remains unpaid after 30 days from the date the bill is sent, the political subdivision shall:

(i) Notify the owner of the property served, in writing, that the bill is in arrears and that water service will be discontinued;

(ii) Leave the notice on the owner's property or mail the notice to the last known address of the owner; and

(iii) **[Discontinue] IN ACCORDANCE WITH SUBTITLE 2A OF THIS TITLE, DISCONTINUE** water service to the property until the owner pays the bill and a reconnection charge reasonably related to the cost of reconnection, as established by ordinance of the governing body of the county or municipal corporation in which the water service is provided.

(4) If any bill remains unpaid after 60 days from the date of sending the notice[:

(i) The], **THE** bill and the penalty imposed under paragraph (3)(iii) of this subsection shall be collectible from the property owner in the same manner and subject to the same interest as taxes are collectible in the county in which the water or sewerage system lies[; and

(ii) The water service charges and all penalties shall be a first lien on the property].

(d) (1) This subsection applies only to property subject to a condominium regime established under Title 11 of the Real Property Article.

(2) Notwithstanding any other law, if the political subdivision directly bills the governing body of a condominium or a person designated by the governing body of a condominium for water or sewer usage charges for all or a portion of the units in a condominium property, and a charge is in default for at least 60 days, the political subdivision shall post notice conspicuously at or near the entry to the common area of the condominium.

(3) The political subdivision may enter onto the common area of a condominium property at a reasonable time to post the notice required under this subsection.

9–939.

(a) A resolution or trust agreement that provides for the issuance of or secures bonds under this subtitle may:

(1) Include any of the provisions in subsections (c) through (f) of this section; and

(2) Require the authority to adopt resolutions or take any other lawful action that is necessary to enforce those provisions.

(b) If a resolution or trust agreement includes any of the provisions of subsections (c) through (f) of this section, the authority may adopt resolutions and take any other lawful action that is necessary to enforce those provisions.

(c) If the owner, tenant, or occupant of a parcel of land is obligated to pay rates, fees, or charges for the use of or services furnished by any project of an authority, the authority may require the owner, tenant, or occupant to deposit with the authority, before the use is made or the services are furnished, a reasonable amount:

(1) To insure payment of the rates, fees, or charges; and

(2) To be applied to payment of any delinquent rates, fees, or charges.

(d) If the owner, tenant, or occupant of a parcel of land does not pay any rate, fee, or charge for the use of or services furnished by any project of an authority within 30 days after the rate, fee, or charge becomes due and payable, the authority, at the end of the 30-day period, may:

(1) **[Disconnect] IN ACCORDANCE WITH SUBTITLE 2A OF THIS TITLE, DISCONNECT** the parcel of land from the water system or sewerage system of the authority or otherwise suspend services; and

(2) Recover the amount of the rate, fee, or charge that is delinquent, plus interest[:

(i) **In] IN** a civil action[; or

(ii) By foreclosure of the lien for the rate, fee, or charge].

(e) If any rate, fee, or charge for the use of or services furnished to a lot or parcel of land by a sewerage system that is owned, constructed, or operated by an authority under this subtitle is not paid within 30 days after the rate, fee, or charge becomes due and payable, the owner, tenant, or occupant of the parcel of land shall stop disposing of sewage or industrial wastes from the parcel of land directly or indirectly into the sewerage system until the rate, fee, or charge, plus interest, is paid.

(f) (1) If the owner, tenant, or occupant of a parcel of land does not stop disposing of sewage or industrial wastes as required by subsection (e) of this section, any political subdivision or person who supplies or sells water for use on the parcel of land shall stop supplying or selling the water within 5 days after receiving notice of the delinquency from the authority.

(2) If a political subdivision or person does not stop supplying or selling water for use on a parcel of land as required by paragraph (1) of this subsection, the authority may shut off the supply of water to the parcel of land **IN ACCORDANCE WITH SUBTITLE 2A OF THIS TITLE.**

1 (a) A political subdivision that owns or operates a water system may contract with
2 an authority as provided in subsection (b) of this section to shut off the supply of water to
3 any premises that are connected with any sewerage system of the authority.

4 (b) If the owner, tenant, or occupant of any premises described in subsection (a)
5 of this section fails, within the time stated in the contract, to pay any rate, fee, or charge
6 for the use or services of the sewerage system of an authority, the authority may shut off
7 the supply of water to the premises **IN ACCORDANCE WITH SUBTITLE 2A OF THIS TITLE**.

8 (c) (1) An authority may disconnect service to a property on a finding or
9 notification from the governing body of the political subdivision in which the property is
10 located that the property is:

11 (i) A vacant lot; or

12 (ii) Cited as vacant and unfit for habitation on a housing or building
13 violation notice.

14 (2) Subject to paragraph (3) of this subsection, on request by the owner of
15 the property, the authority shall restore service to a property where service was
16 disconnected in accordance with paragraph (1) of this subsection.

17 (3) (i) An authority may require proof that all housing and building
18 violation notices on a property have been resolved prior to restoring service under
19 paragraph (2) of this subsection.

20 (ii) Prior to restoring service under paragraph (2) of this subsection,
21 an authority may require the owner of the property to pay:

22 1. All unpaid rates, fees, charges, or assessments for service
23 at the property; and

24 2. Any reconnection fees for service at the property.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
26 1, 2024.