

# HOUSE BILL 1765

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By: **Delegate Lafferty**

Introduced and read first time: February 23, 2018

Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

1 AN ACT concerning

2 **On-Site Sewage Disposal Systems – Watershed Implementation Plan and Bay**  
3 **Restoration Fund Disbursements and Financial Assistance**

4 FOR the purpose of authorizing a local jurisdiction to count a reduction in nitrogen from a  
5 certain upgrade to an on-site sewage disposal system toward a nitrogen load  
6 reduction required in a certain watershed implementation plan under certain  
7 circumstances; authorizing certain fee revenue deposited in the Bay Restoration  
8 Fund to be used by a local jurisdiction to provide a certain amount of financial  
9 assistance to certain homeowners for the reasonable cost of an operation and  
10 maintenance contract for the pumping out of an on-site sewage disposal system at  
11 certain intervals; authorizing certain fee revenue deposited into the Fund to be used,  
12 in certain fiscal years, for financial assistance to a local jurisdiction for the  
13 development of a certain plan; specifying that the amount of financial assistance  
14 under this Act is based on homeowner income and is subject to a certain priority;  
15 specifying that financial assistance under this Act may be provided only if the  
16 homeowner verifies a certain operation and maintenance contract and resides in a  
17 local jurisdiction that has developed a certain septic stewardship plan that meets  
18 certain requirements; and generally relating to on-site sewage disposal systems.

19 BY adding to

20 Article – Environment

21 Section 9–1108.2 and 9–1605.2(h)(2)(i)5. and (8)

22 Annotated Code of Maryland

23 (2014 Replacement Volume and 2017 Supplement)

24 BY repealing and reenacting, without amendments,

25 Article – Environment

26 Section 9–1605.2(a)(4) and (h)(1) and (2)(i)4. and (ii)

27 Annotated Code of Maryland

28 (2014 Replacement Volume and 2017 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,  
 2 Article – Environment  
 3 Section 9–1605.2(h)(2)(i)3.  
 4 Annotated Code of Maryland  
 5 (2014 Replacement Volume and 2017 Supplement)

6 BY repealing and reenacting, without amendments,  
 7 Article – Natural Resources  
 8 Section 8–2A–01(a) and (e)  
 9 Annotated Code of Maryland  
 10 (2012 Replacement Volume and 2017 Supplement)

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

13 **Article – Environment**

14 **9–1108.2.**

15 (A) IN THIS SECTION, “WATERSHED IMPLEMENTATION PLAN” HAS THE  
 16 MEANING STATED IN § 8–2A–01 OF THE NATURAL RESOURCES ARTICLE.

17 (B) A REDUCTION IN NITROGEN FROM UPGRADING AN ON–SITE SEWAGE  
 18 DISPOSAL SYSTEM TO THE BEST AVAILABLE TECHNOLOGY FOR THE REMOVAL OF  
 19 NITROGEN MAY COUNT TOWARD A NITROGEN LOAD REDUCTION REQUIRED IN A  
 20 LOCAL JURISDICTION’S WATERSHED IMPLEMENTATION PLAN IF THERE IS A  
 21 CURRENT OPERATION AND MAINTENANCE CONTRACT FOR THE ON–SITE SEWAGE  
 22 DISPOSAL SYSTEM.

23 9–1605.2.

24 (a) (4) There is established a Bay Restoration Fee to be paid by any user of a  
 25 wastewater facility, an on–site sewage disposal system, or a holding tank that:

26 (i) Is located in the State; or

27 (ii) Serves a Maryland user and is eligible for funding under this  
 28 subtitle.

29 (h) (1) With regard to the funds collected under subsection (b)(1)(i)1 of this  
 30 section from users of an on–site sewage disposal system or holding tank that receive a water  
 31 bill and subsection (b)(1)(i)2 and 3 of this section, beginning in fiscal year 2006, the  
 32 Comptroller shall:

33 (i) Establish a separate account within the Bay Restoration Fund;  
 34 and

1 (ii) Disburse the funds as provided under paragraph (2) of this  
2 subsection.

3 (2) The Comptroller shall:

4 (i) Deposit 60% of the funds in the separate account to be used for:

5 3. A portion of the reasonable costs of a local public entity  
6 that has been delegated by the Department under § 1-301(b) of this article to administer  
7 and enforce environmental laws, not to exceed 10% of the funds deposited into the separate  
8 account, to implement regulations adopted by the Department for on-site sewage disposal  
9 systems that utilize the best available technology for the removal of nitrogen; [and]

10 4. Subject to paragraph (7) of this subsection, financial  
11 assistance to low-income homeowners, as defined by the Department, for up to 50% of the  
12 cost of an operation and maintenance contract of up to 5 years for an on-site sewage  
13 disposal system that utilizes nitrogen removal technology; [and]

14 **5. SUBJECT TO PARAGRAPH (8) OF THIS SUBSECTION, A**  
15 **LOCAL JURISDICTION TO PROVIDE FINANCIAL ASSISTANCE TO ELIGIBLE**  
16 **HOMEOWNERS FOR THE REASONABLE COST OF AN OPERATION AND MAINTENANCE**  
17 **CONTRACT THAT PROVIDES FOR, AT LEAST ONCE EVERY 5 YEARS, THE PUMPING OUT**  
18 **OF AN ON-SITE SEWAGE DISPOSAL SYSTEM, NOT TO EXCEED 10% OF THE FUNDS**  
19 **ALLOCATED TO THE LOCAL JURISDICTION; AND**

20 **6. IN FISCAL YEARS 2020 AND 2021, FINANCIAL**  
21 **ASSISTANCE TO A LOCAL JURISDICTION FOR THE DEVELOPMENT OF A SEPTIC**  
22 **STEWARDSHIP PLAN THAT MEETS THE REQUIREMENTS UNDER PARAGRAPH (8)(III)2**  
23 **OF THIS SUBSECTION; AND**

24 (ii) Transfer 40% of the funds to the Maryland Agriculture Water  
25 Quality Cost Share Program in the Department of Agriculture in order to fund cover crop  
26 activities.

27 **(8) (I) THE AMOUNT OF FINANCIAL ASSISTANCE UNDER**  
28 **PARAGRAPH (2)(I)5 OF THIS SUBSECTION SHALL BE BASED ON HOMEOWNER**  
29 **INCOME, WITH PRIORITY GIVEN TO LOW-INCOME HOMEOWNERS.**

30 **(II) FINANCIAL ASSISTANCE UNDER PARAGRAPH (2)(I)5 OF**  
31 **THIS SUBSECTION MAY BE PROVIDED THROUGH GRANTS, REBATES, OR LOW- OR**  
32 **NO-INTEREST LOANS.**

33 **(III) FINANCIAL ASSISTANCE UNDER PARAGRAPH (2)(I)5 OF**  
34 **THIS SUBSECTION MAY BE PROVIDED ONLY IF:**

1                   **1. THE HOMEOWNER VERIFIES THE OPERATION AND**  
2 **MAINTENANCE CONTRACT; AND**

3                   **2. THE HOMEOWNER RESIDES IN A LOCAL**  
4 **JURISDICTION THAT HAS DEVELOPED A SEPTIC STEWARDSHIP PLAN THAT:**

5                   **A. STATES SPECIFIC GOALS CONSISTENT WITH THE**  
6 **NITROGEN LOAD REDUCTION REQUIRED IN THE LOCAL JURISDICTION'S**  
7 **WATERSHED IMPLEMENTATION PLAN;**

8                   **B. SPECIFIES PUBLIC EDUCATION AND OUTREACH**  
9 **MEASURES THAT WILL BE TAKEN, INCLUDING EDUCATION AND OUTREACH ON BEST**  
10 **MANAGEMENT PRACTICES, LEGAL REQUIREMENTS, AND EXISTING SUPPORT AND**  
11 **FINANCIAL ASSISTANCE;**

12                   **C. PROVIDES TECHNICAL GUIDANCE FOR THE SITING,**  
13 **DESIGN, EVALUATION, AND CONSTRUCTION OF AN ON-SITE SEWAGE DISPOSAL**  
14 **SYSTEM;**

15                   **D. REQUIRES AN ON-SITE SEWAGE DISPOSAL SYSTEM**  
16 **LOCATED ON RESIDENTIAL PROPERTY TO BE PUMPED OUT AND INSPECTED AND**  
17 **HAVE ITS WATER TESTED AT LEAST ONCE EVERY 5 YEARS, UNLESS A MORE**  
18 **FREQUENT PUMP OUT SCHEDULE IS RECOMMENDED DURING AN INSPECTION;**

19                   **E. REQUIRES AN ON-SITE SEWAGE DISPOSAL SYSTEM**  
20 **LOCATED ON COMMERCIAL PROPERTY TO BE PUMPED OUT AND INSPECTED AT**  
21 **LEAST ONCE EVERY 5 YEARS, UNLESS A MORE FREQUENT PUMP OUT SCHEDULE IS**  
22 **RECOMMENDED DURING AN INSPECTION;**

23                   **F. SPECIFIES CERTIFICATION AND LICENSING**  
24 **PROCEDURES FOR A PERSON THAT PUMPS OUT AND INSPECTS ON-SITE SEWAGE**  
25 **DISPOSAL SYSTEMS;**

26                   **G. SPECIFIES ENFORCEMENT MECHANISMS,**  
27 **COMPLIANCE INCENTIVES, AND PENALTIES;**

28                   **H. OUTLINES FUNDING MECHANISMS TO SUPPORT THE**  
29 **PLAN AND EXPAND EDUCATION, DEMONSTRATION PROJECTS, AND INSPECTIONS;**

30                   **I. SPECIFIES REQUIREMENTS FOR RECORD KEEPING;**  
31 **AND**

1                                   **J. ESTABLISHES A PROCESS FOR PERIODICALLY**  
2 **EVALUATING AND REVISING THE PLAN.**

3                                   **Article – Natural Resources**

4 8–2A–01.

5           (a)    In this subtitle the following words have the meanings indicated.

6           (e)    “Watershed implementation plan” means a plan to achieve the nutrient and  
7 sediment limits required under the Chesapeake Bay total maximum daily load.

8           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
9 October 1, 2018.