

HOUSE BILL 677

L5

5lr0430

By: **Montgomery County Delegation and Prince George's County Delegation**
Introduced and read first time: February 12, 2015
Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Washington Suburban Sanitary Commission – Independent Review Board –**
3 **Refunds**

4 **MC/PG 106–15**

5 FOR the purpose of limiting the conditions under which a person may file a written claim
6 with the Washington Suburban Sanitary Commission for a refund of the amount
7 that exceeds the amount that is properly and legally payable; establishing an
8 Independent Review Board to investigate and arbitrate certain billing disputes
9 between the Commission and customers in the Washington Suburban Sanitary
10 District; providing for the membership, terms, duties, and staffing of the Board;
11 providing for the designation of a chair; prohibiting a member of the Board from
12 receiving certain compensation, but authorizing the reimbursement of certain
13 expenses; authorizing a person to file a written claim with the Board for a certain
14 refund of the amount of a certain fee or charge the person paid to the Commission
15 that exceeds the amount that is properly and legally payable if the person contends
16 that the fee or charge is at least a certain percentage higher than an average bill;
17 authorizing a certain new owner of property to file a claim for refund under certain
18 circumstances; requiring the Board to investigate the merits of a certain claim and
19 arbitrate the claim between the Commission and the claimant; requiring the Board
20 to hold a hearing on the claim under certain circumstances; authorizing the Board
21 to order the Commission to refund a certain amount to a claimant under certain
22 circumstances; providing that a certain claim shall be disallowed unless it is filed
23 within a certain time period; requiring the Commission to pay certain interest on an
24 amount refunded under certain circumstances; providing that the failure of the
25 Board to reach a final decision on a certain claim within a certain time period shall
26 be deemed a final rejection of the claim; authorizing a petition for judicial review to
27 be filed within a certain time after the date of final action by the Board under certain
28 circumstances; specifying the terms of the initial members of the Board; defining
29 certain terms; and generally relating to refunds of excess amounts of certain fees and
30 charges paid to the Washington Suburban Sanitary Commission.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,
2 Article – Public Utilities
3 Section 25–106
4 Annotated Code of Maryland
5 (2010 Replacement Volume and 2014 Supplement)

6 BY adding to
7 Article – Public Utilities
8 Section 25–106.1
9 Annotated Code of Maryland
10 (2010 Replacement Volume and 2014 Supplement)

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

13 **Article – Public Utilities**

14 25–106.

15 (a) IN THIS SECTION, “AVERAGE BILL” HAS THE MEANING STATED IN §
16 25–106.1 OF THIS SUBTITLE.

17 (B) Except for assessments and benefit charges authorized by Subtitle 2 of this
18 title, this section applies to any fee or charge imposed by the Commission.

19 [(b)] (C) (1) [A] IF A PERSON CONTENDS THAT A FEE OR CHARGE
20 IMPOSED BY THE COMMISSION IS LESS THAN 25% HIGHER THAN AN AVERAGE BILL,
21 THE person may file a written claim with the Commission, in a form and containing the
22 information and supporting documents required by the Commission, for a refund of the
23 amount of a fee or charge the person paid to the Commission that exceeds the amount that
24 is properly and legally payable.

25 (2) If the property for which the fee or charge was paid has been transferred
26 to a new owner after the payment, the new owner may file the claim for the refund.

27 [(c)] (D) (1) On the receipt of a claim for a refund under subsection [(b)] (C)
28 of this section, the Commission shall investigate the merits of the claim.

29 (2) On the request of the claimant, the Commission, or the Commission’s
30 designee, shall hold a hearing on the claim.

31 (3) A claim shall be disallowed unless it is filed within 3 years after the
32 date of the payment for which the refund is requested.

1 (4) The Commission shall pay interest on any amount refunded under this
2 section, calculated at the rate of 6% per year, starting 180 days from the date the claim was
3 made.

4 [(d)] (E) If the Commission fails to reach a final decision on a claim within 180
5 days after the date the claim is filed, the failure shall be deemed a final rejection of the
6 claim.

7 [(e)] (F) Within 30 days after the date of final action by the Commission on a
8 claim for a refund filed under subsection [(b)] (C) of this section, a petition for judicial
9 review may be filed with the circuit court as provided in Title 7, Chapter 200 of the
10 Maryland Rules.

11 [(f)] (G) Notwithstanding any other provision of this section, the Commission
12 may refund a payment that the Commission determines was paid in excess of the amount
13 that was properly and legally payable, whether or not the person who made the payment
14 files a claim for a refund.

15 **25-106.1.**

16 (A) (1) **IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
17 **INDICATED.**

18 (2) **“AVERAGE BILL” MEANS A BILL IN THE AMOUNT ESTIMATED TO**
19 **BE THE AVERAGE WATER OR SEWER USAGE ON THAT ACCOUNT BASED ON PREVIOUS**
20 **COMPARABLE BILLING CYCLES, AS ESTABLISHED BY THE COMMISSION.**

21 (3) **“BOARD” MEANS THE INDEPENDENT REVIEW BOARD**
22 **ESTABLISHED IN SUBSECTION (B) OF THIS SECTION.**

23 (B) (1) **THERE IS AN INDEPENDENT REVIEW BOARD TO INVESTIGATE**
24 **AND ARBITRATE BILLING DISPUTES BETWEEN THE COMMISSION AND CUSTOMERS**
25 **IN THE SANITARY DISTRICT.**

26 (2) **THE BOARD CONSISTS OF THE FOLLOWING MEMBERS:**

27 (I) **ONE MEMBER FROM THE COMMISSION;**

28 (II) **ONE MEMBER FROM THE OFFICE OF PEOPLE’S COUNSEL;**

29 **AND**

30 (III) **THREE MEMBERS WHO RESIDE IN THE SANITARY DISTRICT**
31 **APPOINTED BY THE ATTORNEY GENERAL.**

1 **(3) THE ATTORNEY GENERAL SHALL DESIGNATE A CHAIR OF THE**
2 **BOARD.**

3 **(4) (I) THE TERM OF AN APPOINTED MEMBER OF THE BOARD IS 2**
4 **YEARS.**

5 **(II) THE TERMS OF THE APPOINTED MEMBERS ARE STAGGERED**
6 **AS REQUIRED BY THE TERMS PROVIDED FOR MEMBERS OF THE BOARD ON OCTOBER**
7 **1, 2015.**

8 **(III) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE**
9 **UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.**

10 **(IV) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN**
11 **SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED**
12 **AND QUALIFIES.**

13 **(5) A MEMBER OF THE BOARD:**

14 **(I) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE**
15 **BOARD; BUT**

16 **(II) SHALL BE REIMBURSED FOR EXPENSES INCURRED IN**
17 **PERFORMING THE MEMBER'S DUTIES.**

18 **(6) THE OFFICE OF THE ATTORNEY GENERAL SHALL PROVIDE**
19 **STAFFING SUPPORT TO THE BOARD.**

20 **(C) (1) EXCEPT FOR ASSESSMENTS AND BENEFIT CHARGES AUTHORIZED**
21 **BY SUBTITLE 2 OF THIS TITLE, THIS SUBSECTION APPLIES TO ANY FEE OR CHARGE**
22 **IMPOSED BY THE COMMISSION.**

23 **(2) (I) IF A PERSON CONTENDS THAT A FEE OR CHARGE IMPOSED**
24 **BY THE COMMISSION IS AT LEAST 25% HIGHER THAN AN AVERAGE BILL, THE**
25 **PERSON MAY FILE A WRITTEN CLAIM WITH THE BOARD FOR A REFUND OF THE**
26 **AMOUNT OF A FEE OR CHARGE THE PERSON PAID TO THE COMMISSION THAT**
27 **EXCEEDS THE AMOUNT THAT IS PROPERLY AND LEGALLY PAYABLE.**

28 **(II) IF THE PROPERTY FOR WHICH THE FEE OR CHARGE WAS**
29 **PAID HAS BEEN TRANSFERRED TO A NEW OWNER AFTER THE PAYMENT, THE NEW**
30 **OWNER MAY FILE THE CLAIM FOR THE REFUND.**

1 **(3) (I) ON THE RECEIPT OF A CLAIM FOR A REFUND UNDER**
2 **PARAGRAPH (2) OF THIS SUBSECTION, THE BOARD SHALL INVESTIGATE THE MERITS**
3 **OF THE CLAIM AND ARBITRATE THE CLAIM BETWEEN THE COMMISSION AND THE**
4 **CLAIMANT.**

5 **(II) ON THE REQUEST OF THE CLAIMANT, THE COMMISSION, OR**
6 **THE COMMISSION'S DESIGNEE, THE BOARD SHALL HOLD A HEARING ON THE CLAIM.**

7 **(III) THE BOARD MAY ORDER THE COMMISSION TO REFUND TO**
8 **THE CUSTOMER AN AMOUNT EQUAL TO THE AMOUNT OF A FEE OR CHARGE THE**
9 **CLAIMANT PAID TO THE COMMISSION THAT EXCEEDS THE AMOUNT THAT IS**
10 **PROPERLY AND LEGALLY PAYABLE.**

11 **(IV) A CLAIM SHALL BE DISALLOWED UNLESS IT IS FILED WITHIN**
12 **3 YEARS AFTER THE DATE OF THE PAYMENT FOR WHICH THE REFUND IS**
13 **REQUESTED.**

14 **(V) THE COMMISSION SHALL PAY INTEREST ON ANY AMOUNT**
15 **REFUNDED UNDER THIS SECTION, CALCULATED AT THE RATE OF 6% PER YEAR,**
16 **STARTING 180 DAYS FROM THE DATE THE CLAIM WAS MADE.**

17 **(4) IF THE BOARD FAILS TO REACH A FINAL DECISION ON A CLAIM**
18 **WITHIN 180 DAYS AFTER THE DATE THE CLAIM IS FILED, THE FAILURE SHALL BE**
19 **DEEMED A FINAL REJECTION OF THE CLAIM.**

20 **(5) WITHIN 30 DAYS AFTER THE DATE OF FINAL ACTION BY THE**
21 **BOARD ON A CLAIM FOR A REFUND FILED UNDER PARAGRAPH (2) OF THIS**
22 **SUBSECTION, A PETITION FOR JUDICIAL REVIEW MAY BE FILED WITH THE CIRCUIT**
23 **COURT AS PROVIDED IN TITLE 7, CHAPTER 200 OF THE MARYLAND RULES.**

24 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial
25 appointed members of the Independent Review Board established in Section 1 of this Act
26 shall expire as follows:

27 (1) one member in 2016; and

28 (2) two members in 2017.

29 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 October 1, 2015.