



February 28, 2020

House Bill 1035

Bay Restoration Funds – Use of Funds – Municipal Wastewater Facilities

Committee: Environment and Transportation

Position: FAVORABLE WITH AMENDMENTS

Urban areas contribute nitrogen pollution to the Chesapeake Bay and its tributaries from three main sources: stormwater runoff, wastewater treatment plant effluent, and septic system effluent. Anne Arundel County has spent hundreds of millions of dollars to upgrade its stormwater infrastructure and its wastewater treatment plants, and those efforts have reduced nitrogen pollution from urban sources by 24 percent since 1985.¹ When a septic system is connected to a wastewater treatment plant in Anne Arundel County, the waste effluent from that household is reduced by over 90 percent. Yet reductions from septic systems have remained elusive due to the high costs that individual homeowners must pay to complete a connection project.

The average cost to connect a septic system to an upgraded wastewater treatment plant is \$66,000. The Bay Restoration Fund currently provides up to \$18,500 for an eligible connection. The Anne Arundel County Executive recently signed two bipartisan, unanimous bills to offer homeowners an additional \$16,500 subsidy from the County, and allow them to defer 50 percent of the connection costs for up to 40 years. Yet even with these incentives, some homeowners may still be required to spend \$122 per month for decades to connect a failing septic system to a treatment plant. This monthly payment could be reduced to \$73 per month if the Bay Restoration Fund provided approximately 50 percent of the costs, or \$33,000 per eligible connection.

This increased funding could incentivize significant environmental improvements in communities across Maryland that seek to take advantage of recent upgrades, or planned upgrades, to wastewater treatment plants by replacing old, polluting septic systems with sewer pipes.

We request a FAVORABLE report, and offer the following AMENDMENTS for HB1035.

¹ The [EPA Chesapeake Bay Program Model](#) estimates that nitrogen runoff to streams from urban stormwater, wastewater and septic systems in Anne Arundel County decreased 24 percent from 1985 through 2018.

9-1605.2(h)(2)(i)

(D). The cost, ~~up to the sum of the costs authorized under item B of this item~~ **UP TO 50%** for each individual system, of replacing multiple on-site sewage disposal systems located in the same community with a new community sewerage system that is owned by a local government and that meets enhanced nutrient removal standards; or

(E). The cost, ~~up to the sum of the costs authorized under item C of this item~~ **UP TO 50%** for each individual system, of connecting a property using an on-site sewage disposal system to an existing municipal wastewater facility that is achieving, **OR HAS SIGNED A FUNDING AGREEMENT WITH THE DEPARTMENT AND IS UNDER CONSTRUCTION TO ACHIEVE**, enhanced nutrient removal or biological nutrient removal level treatment, including payment of the principal, but not interest, of debt issued by a local government for such connection costs;