

COMMISSION SUMMARY

AGENDA CATEGORY: Intergovernmental Relations Office

ITEM NUMBER: 1 **DATE**: April 21, 2021 Legislative Update **SUBJECT** Updates on WSSC Water-related bills for the 2021 Legislative Session. **SUMMARY** The legislative update is current as of April 5, 2021, and will be updated **SPECIAL COMMENTS** as legislation is received and/or positions are taken. CONTRACT NO./ N/A REFERENCE NO. N/A COSTS AMENDMENT/ **CHANGE ORDER NO.** N/A **AMOUNT MBE PARTICIPATION** N/A PRIOR STAFF/ Carla A. Reid, General Manager/CE **COMMITTEE REVIEW** M.) Monica Johnson, Deputy General Manager, Strategy & Partner Ships PRIOR STAFF/ Karyn A. Riley, Director, Intergovernmental Relations Office COMMITTEE **APPROVALS RECOMMENDATION TO** COMMISSION **COMMISSION ACTION**



SESSION 2021 LEGISLATIVE UPDATE

As of April 5, 2021

WSSC Water Sponsored Legislation

Bill#	Title (Sponsor)/Description	Position	Status/Notes
HB 501 (MC/PG 102-21)	Washington Suburban Sanitary Commission – Board of Ethics - Financial Disclosure Statements - Late Fees (MC/PG 102-21) Authorizes the WSSC Board of Ethics to impose a late fee on individuals who file late or fail to file required financial disclosure statements.	SUPPORT (10/21/2020)	Hearings: Senate Education, Health and Environmental Affairs 4/6/2021 House – Passed (136-0) 3/18/2021 Positions: PGHD – FAV (1/22/21)
			MCHD – FAV (1/29/21) MCCE – Support MCCC – Support PGCC – Support

WSSC Water Related Legislation

Renewable Energy Portfolio Standard – Wastewater, Thermal, and Other Renewable Sources (D.E. Davis) As amended, expands Tier 1 renewable energy sources to include raw or treated wastewater used as a heat source or heat sink for a heating or cooling system SUPPORT SUPPORT	Bill#	Title (Sponsor)/Description	Position	Status/Notes
subject to specified requirements. Energy (1/27/2021)	<u>HB 561</u>	Wastewater, Thermal, and Other Renewable Sources (D.E. Davis) As amended, expands Tier 1 renewable energy sources to include raw or treated wastewater used as a heat source or heat sink for a heating or cooling system, subject to specified requirements. Energy producers from such a system are eligible to receive renewable energy credits if the system is connected with the electric distribution grid serving Maryland or processes wastewater from Maryland		Senate Finance 3/30/2021 House – Passed (112-20)

Bill#	Title (Sponsor)/Description	Position	Status/Notes
HB 789 (MC/PG 100-21)	Washington Suburban Sanitary Commission – Video Streaming and Archiving Meetings and Late Payment Charges (MC/PG 100-21) (Charkoudian) Requires WSSC to stream live video of the open meetings of the Commission and to maintain on its website a complete and unedited archived video recording of these meetings. Also alters the amount the Commission can impost as a late payment charge for unpaid water and sewer usage charges. 1/7/2021 – As amended, audio and/or video of all open meetings are to be live streamed. If live streaming is unavailable, the meetings are to be recorded. Video, audio and recordings are to be posted to the Commission's website. Provisions were added to protect the validity of actions taken by the Commission should a failure involving the live streaming or recording occur during an open meeting. Changes to the amount the Commission as a late payment charge for unpaid water and sewer usage charges have been removed from the bill. Language has been added to specify financial assistance may include the reduction or waiver of fees, including late fees, under the Customer Affordability Program.	SUPPORT w/ Amendments (1/27/2021)	Hearings: Senate Education, Health and Environmental Affairs 4/6/2021 House – Passed (134-0) Positions: PGHD – FWA (1/22/21) MCHD – FWA (1/7/2021) MCSD – FWA (2/12/2021) MCCE – Support w/ Amendment MCCC – Hold PGCC – Support w/ Amendment

Legislation of Interest

Bill#	Title (Sponsor)/Description	Position	Status/Notes
	Montgomery County – Public Ethics – Payments to Elected Officials (Acevero & Carr)		
MC 6-21	Prohibits an applicant or agent of the applicant from making a payment to an elected official, or a slate that includes an elected official, during the pendency of the application a land use matter.		Withdrawn (12/7/2020)

Bill#	Title (Sponsor)/Description	Position	Status/Notes
	Montgomery County – Cooperative Housing Corporations, Condominiums, and Homeowners Associations – Reserve Studies - (MC 3-21) (Crutchfield & Stewart)		Hearings: Senate Judicial Proceeding 3/30/2021
<u>HB 567</u>	Requires the governing body of Montgomery County cooperative housing corporations (CO-OP), condominium, or homeowners association (HOA) to conduct a study of the reserves required for future major repairs and replacement of common elements. Studies are to be conducted by a certain time based on the establishment date of the CO-OP, condominium board, or HOA and must be conducted at least every 5 years thereafter.	Monitor	House – Passed (122-19) 3/19/2021 Positions: MCHD – FWA (1/7/2021) MCCE – Support MCCC – Hold
HB 581 (SB 486)	Labor and Employment - Employment Standards During an Emergency (Maryland Essential Workers' Protection Act) (Davis, D.E.) Establishes numerous benefits and protections for essential workers during an emergency, and related responsibilities for each employer of an essential worker. Among other things, the bill requires an employer to provide hazard pay and personal protective equipment (PPE) at no cost to essential workers.	Monitor	Hearings: House Economic Matters 2/5/2021
HB 606 (SB 392)	Electricity and Gas - Limited-Income Mechanisms and Assistance (Davis, D.E) Requires electric and/or gas utilities to adopt limited-income mechanisms, subject to the approval of the Public Service Commission (PSC), that benefit eligible limited-income customers. The bill also requires the PSC to establish an electric universal service program to provide certain electric customers with bill assistance, low-income residential weatherization, and arrearage retirement. The Office of Home Energy Programs will administer the bill assistance and arrearage retirement components of this program.	Monitor	Hearings: Senate Finance 4/6/2021 House – Passed (99-38) 2/26/2021

Bill#	Title (Sponsor)/Description	Position	Status/Notes
HB 635 (PG 407-21)	Maryland Emergency Management Agency, Department of Transportation, and Department of the Environment – Study on Historic and Recent Flooding in Prince George's County (Ivey) Requires the MEMA, the Department of Transportation and the Department of the Environment to conduct a study analyzing flooding in Prince George's County and develop recommendations for mitigation solutions. Bill has been amended to require the named agencies to invite the Army Corps of Engineers and municipalities to participate in the study.	Monitor	Hearings: House Environment & Transportation 3/3/2021 Positions: PGHD – FWA (1/29/21)
HB 636 (SB 546)	School Buildings - Drinking Water Outlets - Elevated Level of Lead (Safe School Drinking Water Act) (Solomon) Redefines "elevated level of lead" to mean a lead concentration in drinking water that exceeds five parts per billion (ppb) for the purposes of required lead water testing and remedial measures in public and nonpublic schools and makes conforming changes to existing notice and remediation requirements. If a water test sample for a drinking water outlet was analyzed on or before June 1, 2021, and the analysis indicated a concentration of lead that was more than 5 ppb but less than 20 ppb, a school must take appropriate remedial measures by August 1, 2022.	Monitor	Hearings: House – Passed (132-1) 3/25/2021 Senate - Rules
<u>HB 650</u> (<u>SB 765</u>)	Minority Business Enterprises - Sexual and Gender Minorities (Imari's Business Pride Act) (Boyce) Alters the definition of "socially and economically disadvantaged individual" for purposes of certifying certain minority business enterprises to include certain sexual and gender minorities.	Monitor	Hearings: House Health & Government Operations 2/17/2021

Bill#	Title (Sponsor)/Description	Position	Status/Notes
	Department of Information Technology – State and Local Government Employees and Contractors – Cybersecurity Training (Krimm)		
<u>HB 1129</u> (<u>SB 873</u>)	Requires the Department of Information Technology, in coordination with the Maryland Cybersecurity Council, to develop criteria for the certification of certain cybersecurity training programs for use by State and local government employees required to complete cybersecurity training each year. Each employee (including contractors) whose job-related duties include accessing government computer systems or databases is required to complete a certified program annually.	Monitor	Hearings: House Health & Government Operations 3/10/2021
	ALL WSSC users who have an IT domain account or access to WSSC Water internal corporate systems are required to take annual cybersecurity training.		
	COVID-19 Eviction and Housing Relief Act of 2021 (Wilkins)		
<u>HB 1312</u>	Makes numerous changes to and imposes various requirements relating to the eviction process in the State. The bill establishes a Maryland Rent Relief Fund to be administered by DHCD.	Monitor	Hearings: House - Passed (92-43) 3/17/2021
	Landlords who receive funds from the Relief Fund are required to forgive 20% of the past due rent owed by the tenant and waive all fees and costs incurred by the tenant for failure to pay rent, including utility fees.		Senate Judicial Proceedings TBA
	Economic Development - Broadband Providers - Joint Trenching and Fee (Building Out Broadband Act of 2021) (Feldmark)		Hearings:
<u>HB 1328</u> (<u>SB 824</u>)	Requires the MDOT and units of local government to allow joint trenching by broadband providers in on a nonexclusive and nondiscriminatory basis, under certain conditions.	Monitor	House – Passed (107-28) 4/1/2021
	The bill does not apply to a county or municipality within the Sanitary District.		

Bill#	Title (Sponsor)/Description	Position	Status/Notes
	Electricity and Gas - Limited-Income Mechanisms and Assistance (Augustine) Requires electric and/or gas utilities to adopt limited-income mechanisms, subject to the approval of the Public Service Commission		
SB 392 (HB 606)	(PSC), that benefit eligible limited-income customers. The bill also requires the PSC to establish an electric universal service program to provide certain electric customers with bill assistance, low-income residential weatherization, and arrearage retirement. The Office of Home Energy Programs will administer the bill assistance and arrearage retirement components of this program.	Monitor	Hearings: House Economic Matters Senate – Passed (32-15) 4/5/2021
<u>SB486</u> (<u>HB581</u>)	Labor and Employment - Employment Standards During an Emergency (Maryland Essential Workers' Protection Act) (Augustine) Establishes numerous benefits and protections for essential workers during an emergency, and related responsibilities for each employer of an essential worker. Among other things, the bill requires an employer to provide hazard pay and personal protective equipment (PPE) at no cost to essential workers.	Monitor	Hearings: Senate Finance 2/11/2021
SB 546 (HB 636)	School Buildings - Drinking Water Outlets - Elevated Level of Lead (Safe School Drinking Water Act) (McCray) Redefines "elevated level of lead" to mean a lead concentration in drinking water that exceeds five parts per billion (ppb) for the purposes of required lead water testing and remedial measures in public and nonpublic schools and makes conforming changes to existing notice and remediation requirements. If a water test sample for a drinking water outlet was analyzed on or before June 1, 2021, and the analysis indicated a concentration of lead that was more than 5 ppb but less than 20 ppb, a school must take appropriate remedial measures by August 1, 2022.	Monitor	Hearings: Senate – Passed (47-0) 3/31/2021 House - Rules and Executive Nominations

Bill#	Title (Sponsor)/Description	Position	Status/Notes
<u>SB 765</u> (<u>HB 650</u>)	Minority Business Enterprises - Sexual and Gender Minorities (Imari's Business Pride Act) (Washington) Alters the definition of "socially and economically disadvantaged individual" for purposes of certifying certain minority business enterprises to include certain sexual and gender minorities.	Monitor	Hearings: Senate Education, Health and Environmental Affairs 3/4/2021
<u>SB 824</u> (<u>HB 1328</u>)	Economic Development - Broadband Providers - Joint Trenching and Fee (Building Out Broadband Act of 2021) (Hester) Requires the MDOT and units of local government to allow joint trenching by broadband providers in on a nonexclusive and nondiscriminatory basis.	Monitor	Hearings: Senate – Passed (45-0) 3/19/2021 House – Economic Matters TBA
<u>SB 873</u> (<u>HB 1129</u>)	Department of Information Technology – State and Local Government Employees and Contractors – Cybersecurity Training (Jackson) Requires the Department of Information Technology, in coordination with the Maryland Cybersecurity Council, to develop criteria for the certification of certain cybersecurity training programs for use by State and local government employees required to complete cybersecurity training each year. Each employee (including contractors) whose job-related duties include accessing government computer systems or databases is required to complete a certified program annually. ALL WSSC users who have an IT domain account or access to WSSC Water internal corporate systems are required to take annual cybersecurity training.	Monitor	Hearings: Senate Education, Health and Environmental Affairs 3/2/2021

Positions

FAV = Favorable; FAW = Favorable with Amendments; MCCC = Montgomery County Council: MCCE = Montgomery County Executive; MCHD = Montgomery County House Delegation; MCSD = Montgomery County Senate Delegation; PGCC = Prince George's County Council PGCE = Prince George's County Executive; PGHD = Prince George's House Delegation; PGSD = Prince George's Senate Delegation

Key Dates

April 12, 2021 - Sine Die

Websites

Maryland General Assembly: http://mgaleg.maryland.gov/mgawebsite/

2021 Session Calendar (PDF): http://mgaleg.maryland.gov/pubs-current/current-session-dates.pdf Track Legislation: http://mgaleg.maryland.gov/webmga/frmTrackingMain.aspx?pid=trackpage

Montgomery County Delegation: http://www.montgomerycountydelegation.com/ Prince George's County Delegation: https://www.princegeorgeshousedelegation.com/



COMMISSION SUMMARY

AGENDA CATEGORY: Intergovernmental Relations Office

ITEM NUMBER: 2 DATE: April 21, 2021 Federal Legislation Update SUBJECT WSSC Water Federal Priorities for 2021 SUMMARY WSSC Water is focusing federal advocacy efforts for federal funding **SPECIAL COMMENTS** that: (1) directly addresses revenue shortfall due to the economic impact of the COVID-19 pandemic; (2) establishes a low-income assistance program specific to water and wastewater utility bills; and (3) increases funding and investment in water and wastewater infrastructure; and (4) appropriates funding for select capital projects geared to enhancing resiliency and reliability for the communities that WSSC Water serves. CONTRACT NO./ N/A REFERENCE NO. N/A **COSTS** AMENDMENT/ CHANGE ORDER NO. N/A **AMOUNT MBE PARTICIPATION** N/A PRIOR STAFF/ Carla A. Reid, General Manager/CEO **COMMITTEE REVIEW** M.I Monica Johnson, Deputy General Manager, Strategy & Partnerships KOR Karvn A. Riley, Director, Intergovernmental Relations Office PRIOR STAFF/ COMMITTEE **APPROVALS RECOMMENDATION TO** COMMISSION **COMMISSION ACTION**



WSSC WATER FEDERAL PRIORITIES FOR THE 117TH CONGRESS

Like other water utilities in the country, WSSC Water (the Washington Suburban Sanitary Commission) is focusing federal advocacy efforts for federal funding that: (1) directly addresses revenue shortfall due to the economic impact of the COVID-19 pandemic; (2) establishes a low-income assistance program specific to water and wastewater utility bills; and (3) increases funding and investment in water and wastewater infrastructure; and (4) appropriates funding for select capital projects geared to enhancing resiliency and reliability for the communities that WSSC Water serves.

Our Federal Priorities

1. <u>Direct financial assistance to water utilities who are experiencing revenue shortfalls because of the economic impact of the global pandemic.</u>

WSSC Water has been severely impacted by the economic fallout from the global COVID-19 pandemic: as of March 2021, 90k customer accounts were past due with a past due amount of \$64 million. This compares to 72k past due accounts for \$36 million in December 2019. To date, WSSC Water has not received any assistance from local, state or federal governments to help mitigate revenue loss.

This revenue shortfall will be borne by WSSC Water's customers in future years, either in the way of increases in fees or decreases in preventative maintenance. Federal assistance, like the assistance given to utilities in the energy sector, is necessary to maintain the level of service that water utilities need to protect the public health of this country.

2. <u>Establishment of and appropriations to a permanent low-income customer assistance program specific to water and wastewater utility bills.</u>

There is no federal program to assist low-income customers with their water or wastewater bills. While the April 2020 CARES Act funding did not include direct assistance for the payment of water utility bills, many jurisdictions used that funding to create specific water utility assistance funds. In Maryland, Anne Arundel County established a Water Bill Relief Program, funded with \$2 million from the County's allotment of CARES Act funds. Likewise, Harford County created a program, Harford Cares, with \$1 million of its federal CARES Act. In November 2020, WSSC Water's General Manager/CEO sent requests for the establishment of a similar program to the County Executives and County Councils of both Montgomery and Prince George's.

In December 2020, Congress passed COVID relief legislation (H.R. 133) that appropriates \$638 million directly for a new Low-Income Water Utility Bill Assistance program that will help cover the costs of drinking water and wastewater utility bills, by providing grants to states and tribes, who in turn will distribute funds to public water and wastewater systems.



An additional \$500 million was appropriated in the American Rescue Plan Act. The funds will be distributed by the Department of Health and Human Services (HHS) for customers who meet federal poverty guidelines. To date, HHS has not established the guidelines for distribution.

While we applaud the establishment of this temporary program, a long-term solution is needed. In addition to not receiving federal funds, WSSC Water does not receive any State or County funding to support our customer assistance programs. Instead, it is predominantly funded by our ratepayers and, in the case of our Water Fund, donations. Unlike municipal or county-owned water and wastewater utilities, which are coordinated through public works departments, WSSC Water does not have direct access to either county's general funds to help enhance these programs unless specifically appropriated by the council or executive. We continue to advocate for a permanent federal program, like the federally-funded energy assistance program, to help low-income ratepayers with water and wastewater utility bills.

3. <u>Increased funding for critical repair, replacement and rehabilitation of water and</u> wastewater infrastructure.

According to a report by the US Water Alliance, the pandemic's impact is expected to be calculated at a \$13.9 billion loss for drinking water utilities, and a \$16.8 billion loss for wastewater utilities. But even prior to the pandemic, the American Water Works Association estimated that over \$1 trillion would be necessary to address the water and wastewater needs across the county.

WSSC Water is no different. Over 35% of our pipes are 50 years or older. While WSSC Water has an aggressive plan fueled by a \$1.5 billion annual capital budget, we need to invest more. A strong water and wastewater system is essential to the country's economic health, public health and environmental health. Federal assistance towards ensuring a strong water and wastewater infrastructure is critical.

4. Ensure direct appropriations for WSSC Water's capital projects that increase reliability and enhance resiliency.

WSSC Water is proud to continue our 102-year streak of no water quality violations, providing our almost 2 million customers with clean, safe and reliable water. In order to maintain this streak and fulfill our core mission, investment in specific projects is necessary to improve our infrastructure. WSSC Water seeks funding for two projects to help us accomplish this goal, the Piscataway Bioenergy Project and the Little Seneca Reservoir Forebay Restoration:



Piscataway Bioenergy Project

Total Cost: \$327.2M

Project Status: Under construction; expected to be operational in spring 2024.

Project Outcome(s): The Piscataway Bioenergy Project is WSSC Water's most technically advanced project that supports green, sustainable infrastructure, including a 15% reduction in greenhouse gas emissions and annual savings of \$3 million.

The Piscataway Bioenergy Project, located at WSSC Water's Piscataway Water Resource Recovery Facility (WRRF), is the largest and most technically advanced project ever constructed by WSSC Water. The project will employ innovative technologies to recover resources and produce green energy from the waste of all five of WSSC Water's WRRFs. This \$327 million project will serve our customers for the next 100 years. The cutting-edge process reduces the amount of biosolids that WSSC Water produces, reducing the amount of material to dispose.

Biosolids are the nutrient rich organic materials resulting from the wastewater treatment process and are treated to remove odors and disease-causing bacteria. This project will produce safer, Class A biosolids, mitigating risks in handling lower quality biosolids. This new material will be significantly cleaner, which makes the disposal process much easier. Unlike the current material, the quality of the biosolids that will be produced at the Piscataway WRRF will be of such high quality that it can be sold and distributed as fertilizer, reducing disposal costs and potentially generating revenue.

The Piscataway Bioenergy Project is a "clean" project – meaning WSSC Water will reduce its greenhouse gas emissions by 15%, while saving customers more than \$3 million per year. Another enhancement through this innovative project is the ability to transfer sewage into renewable – methane gas – which will be captured and used as a source of electricity to run engines and generators. This will provide the Piscataway WRRF with a reliable power source that is completely off the grid, sustainable, and environmentally friendly. In addition to critical sustainability benefits, WSSC's investment in bioenergy is a conscience commitment to long-term savings.

Little Seneca Bay Forebay Restoration

Total Cost: \$25M (estimated)

Project Status: Preliminary engineering study will be completed by the end of FY21. Anticipated construction start date in FY23 and end date in FY28.

Project Outcomes: This work allows for the continued operation of the reservoir as a regional water supply drought mitigation facility by restoring it to its original capacity.



The Potomac River is the primary water source for drinking water that is supplied to the Washington Metropolitan Area. The four major water utilities in the region that withdraw water from the river for treatment and conveyance to their customers include WSSC Water, the Washington Aqueduct, Fairfax Water, and Loudoun Water. These publicly owned utilities serve the District of Columbia and its suburbs including Montgomery and Prince Georges County in Maryland, and Fairfax County, Loudoun County, Prince William County, Fort Belvoir, Herndon, Dulles, Vienna, Alexandria, Falls Church, and Fairfax City in Virginia. Combined, these water utilities serve over 4.6 million residents, employment rolls of 3 million, and a significant number of core Federal agencies that reside in and around the nation's capital.

The Interstate Commission on the Potomac River Basin (ICPRB) was authorized by an Act of Congress in 1940. ICPRB is an advisory, non-regulatory interstate compact agency of the Potomac basin involving the states of Maryland, Pennsylvania, Virginia, West Virginia, and the District of Columbia. The federal government also is a member. ICPRB was formed in response to extreme pollution levels in the river that required a regional, cooperative response by all jurisdictions. The mission of ICPRB is to protect and enhance the waters and related resources of the Potomac River Basin.

ICPRB's Section for Cooperative Water Supply Operations on the Potomac (CO-OP) was established in 1979 to serve as a cooperative technical center on water resources in the Potomac River basin. Through CO-OP, the Washington Metropolitan Area benefits from an effective system for cooperative water supply management. With assistance from the ICPRB as part of the development of the CO-OP, WSSC Water, the Washington Aqueduct, and Fairfax Water entered into a Water Supply Coordination Agreement in 1982. A stated objective of the agreement is to minimize the possibility of having an insufficient water supply during times of drought. As a result, in the 1980's two reservoirs, Jenning's Randolph reservoir in western Maryland, and the Little Seneca reservoir located in Montgomery County, were built and funded cooperatively to supplement river flow to mitigate against drought conditions.

The Little Seneca reservoir is a 3.9-billion-gallon reservoir that is owned and maintained by WSSC Water. The reservoir was designed to include three sediment forebays for each of the three tributaries that feed into the reservoir: Ten-mile Creek, Cabin Branch, and Little Seneca Creek. The forebays are responsible for trapping sediment before it reaches the greater reservoir depths and facilitating sediment removal in shallower water. Since construction in 1983, the forebays have functioned to trap sediment, but without any sediment removal, sediment accumulation has decreased the Little Seneca Lake Reservoir's capacity. The latest Bathymetric Survey performed in 2010 by the Maryland Geologic Survey (MGS) and recent field work indicates the remaining capacity of the forebays range between 16 and 34 percent.



The need to restore the capacity of the reservoirs has resulted in the start of the planning process for the design, permitting and construction for sediment removal from the three forebays. This work will allow for the continued operation of the reservoir as a regional water supply drought mitigation facility as it was originally intended. WSSC Water is planning to complete a preliminary engineering study in FY21 which will provide final recommendations for the design and construction.

The total cost for this project is approximately \$25M. This includes \$1.7M for design services; \$900,000 for construction consultant services; \$200,000 for post-construction monitoring; and \$20M for construction costs. Administrative costs for WSSC Water will total \$2.1M over 8 fiscal years (2021-28).

With climate change and other environmental factors, this project is a proactive step to maintaining a regional source of critical drinking water supply for almost 5 million in multiple states and multiple jurisdictions (including servicing federal buildings) in the event of a drought. This project supports resiliency and ensures access to clean, safe and reliable drinking water.

For more information:

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