# **Clean Water Act Fees**

In 2010, the federal government required states to meet new standards under the Clean Water Act to address stormwater runoff pollution from impervious areas such as rooftops, driveways, roadways, and parking lots. To meet this mandate, Maryland's governor signed into law House Bill 987 (the Clean Water Program) requiring nine Maryland counties and the City of Baltimore to collect a fee from property owners to implement a program to help clean up stormwater runoff pollution from impervious areas. In 2013, in response to this mandate, the Prince George's County Council passed two pieces of legislation. The 1st bill, CB-45-2013, establishes a Clean Water Program, as required by state law; and provides for the setting, collection, and deposit of a Clean Water Act Fee into a local fund. The 2nd piece of legislation, CR-59-2013, establishes a schedule of fees to be collected in order to fund the Clean Water Program. Please visit this link, email CleanWaterActFee@co.pg.md.us, or call 301-883-5810 for more information.

## **FAQs**

# 1. Are any properties excluded from the Clean Water Act Fee?

Yes. According to the legislation, the following are exempt from the Clean Water Act Fee. Exemptions: The following shall not be assessed a Clean Water Act Fee:

- Property located within the municipal limits of the City of Bowie\*
- Property owned by the state, a unit of state government, the county, a municipality, or a regularly organized Volunteer Fire Department that is used for public purposes

\*Property located within the municipal limits of the City of Bowie is not assessed a Clean Water Act Fee since the City of Bowie administers its own stormwater program.

# 2. What if I have multiple tax accounts and want to combine them into one account?

Any property owner with multiple property tax accounts, assigned to adjoining properties, who wishes to investigate combining them into a single account with one Administrative Fee, can contact the Prince George's County Assessment Office by either facsimile, email or mail. Your request must be in writing and include all property tax account numbers and addresses. The County Assessment Office will investigate and consider your request:

Prince George's County Assessment Office 14735 Main Street, Suite #356B Upper Marlboro, MD 20774

Phone: 301-952-2500 Fax: 301-952-2955

E-mail: <a href="mailto:sdat.princeg@maryland.gov">sdat.princeg@maryland.gov</a>

#### 3. How does this relate to the County Stormwater Management Ad Valorem Fund?

To deal with the ever-present impacts of stormwater runoff to which your property contributes, the County has relied on the Stormwater Management District Fund, which is governed by Section 10-264 of the County Code, for major reconstruction and flood control type projects. The fund is not a dedicated stormwater funding source to address water quality mandates.

The Clean Water Act Fee will provide a dedicated revenue source for addressing stormwater runoff and improving water quality. The charge is based on a property's assessed impervious area coverage providing a mechanism to equitably allocate the fee based on a property's stormwater contribution. Thus, each property contributes a fair and equitable share toward the overall cost of improving water quality and mitigating the impact of stormwater runoff. It will provide a stable and adequate level of funding for regulatory mandates such as the Watershed Implementation Plan and the NPDES MS4 Permit independent of the Ad Valorem and General Fund.

## 4. I don't have any stormwater problems. Why do I pay the fee?

Although the effects may not be directly apparent, stormwater from the impervious areas on your property contributes to a cumulative downstream effect that includes:

- Increases in the runoff quantity, and
- A reduction in the quality of stormwater leaving your property due to contaminants that are picked up from impervious areas

Everyone benefits from the clean water found in our rivers and streams that is supported by the County's stormwater control and maintenance programs. The benefits associated with clean water also translates into monetary benefits such as healthier communities, and reduced public monies spent on emergencies related to flooding and other water damage.

## 5. Why am I being charged for stormwater when I already pay for water and sewer service?

The Clean Water Act Fee is an additional impact fee, separate from the fees charged for potable (drinking) water and wastewater. The drinking water and wastewater services on your property are part of distribution and collection networks that are completely separate from the Clean Water Program.

The Clean Water Act Fee is being charged for the service the county provides to control, store, and/or treat stormwater leaving your property. Unlike wastewater, stormwater that leaves your property and enters the storm drain system receives no treatment prior to its discharge into downstream waterways.

### 6. Do I have to pay the Clean Water Act Fee if I have my own well and septic system?

Yes. The Clean Water Act Fee relates to the stormwater drainage and conveyance system, which is completely separate from the water and sanitary sewer system. The Clean Water Act Fee is based upon how much stormwater runoff your property can generate based on impervious cover thereby contributing to the county's water quality problems.

#### 7. What is stormwater runoff pollution?

Every day, trash, oil, sediment, chemicals, bacteria, and other pollutants collect on our rooftops, roads, parking lots, and driveways. When it rains, the pollutants travel over these surfaces, flow into the storm drain system, and in great volume end up in our creeks, rivers, lakes, and streams. Learn about some common sources and concerns for each type of pollutant.

## 8. Hasn't the county always had storm drains?

Yes, the County has had storm drains for a long time; they provide conveyance for stormwater away from urbanized areas. However, recent federal and state regulations requiring reductions in pollutant loading and stormwater management necessitate that the County enhance their stormwater management program. The Clean Water Act Fee enables the county to work toward those goals and meet its responsibilities to reduce stormwater runoff pollution from impervious areas.

#### 9. When did the fee go into effect?

The Clean Water Act Fee was established and went into effect on July 1, 2013.

#### 10. Can the fee be modified or reduced?

Property owners that retrofit their property with approved Best Management Practices (BMPs) that improve the quality of stormwater discharged from their property can receive up to a 100 percent reduction in the impact fee. The Fee Lookup Tool can be used as a fee reduction calculator to estimate various hypothetical fee reductions based on adding BMPs to treat stormwater runoff. Additionally, under the Rain Check Rebate Program, the County will provide a limited amount of rebate funds each year to property owners to retrofit their properties. Learn about the modifications and reductions available.

#### 11. Do tax-exempt properties have to pay?

Yes. The Clean Water Act Fee is an impact fee, not a property tax, since it is based on a properties' relative contribution to stormwater runoff which requires costly remediation. Property taxes are based on the assessed value of the property. The Clean Water Act fee is paid by all residential property owners and associated non-residential property owners that have impervious surface regardless of ownership or tax status. The Clean Water Act fee is assessed based on the impervious cover of a property, which contributes to the amount of stormwater runoff from that the property. All impervious surfaces contribute to pollution and flooding problems and, therefore, all property owners are subject to the fee.

#### 12. Are the fees fair and equitable?

Prince George's County is dedicated to meeting our federal requirements while keeping the fees as low as possible. Our fee structure is equitable and lower than most Maryland counties.

#### 13. Will there be a program for financial hardship?

If you are a residential property owner who can demonstrate substantial financial hardship as a result of the Clean Water Act Fee (CWAF) you may be eligible for financial hardship status. To qualify you must have received the Homeowners' Property Tax Credit from the Maryland State Department of Assessments & Taxation during the tax year for which the CWAF is billed. To continue receiving the tax credit, you will need to apply annually to the Maryland State Department of Assessments and Taxation. Upon determination of homeowner eligibility, the county's Office of Finance shall provide a suspension of the fee in its entirety for the eligible tax year.

For more information, contact the Maryland State Department of Assessments and Taxation Homeowners' Property Tax Credit Program at 800-944-7403 (toll free), or <u>see</u> their website.

#### 14. Is the Clean Water Act Fee tax deductible?

No. The Clean Water Act Fee may not be deducted from federal or state income taxes. The Internal Revenue Service does not consider the Clean Water Act Fee to be tax deductible for homeowners.

#### 15. How will the Clean Water Act Fee be collected?

The Clean Water Act Fee will be a separate line item on your annual property tax bill.

#### 16. What happens if I do not pay my Clean Water Act Fee?

The Clean Water Act Fee must be paid in full at the same time as the rest of your property tax bill. If you choose not to pay, the interest on the overdue payment will accrue according to county laws and regulations. You will be charged the same rate in place for delinquent real property taxes until you remit the outstanding payment and interest. An unpaid Clean Water Act Fee is subject to all penalties and remedies that apply to unpaid real property taxes. If the unpaid charge becomes a lien against the property, the lien has the same priority as a lien imposed for nonpayment of real property taxes.

#### 17. Do I have to pay for any unimproved (with no impervious area) properties that I own?

Yes, you will be charged a minimal administration fee for each property to help cover the costs of the Clean Water Program, unless you meet the eligibility criteria for financial hardship (see question above), in which case the fee will be waived.

#### 18. Do I have to pay for any unoccupied developed properties that I own?

Yes, because that property contains <u>impervious area</u> (see <u>County code, Sec. 32-171.</u> <u>Definitions</u>)

# 19. Do agricultural properties pay the fee?

Yes, but the fee is based only on the impervious area of the property's residential land use, and not the land in agriculture.

# 20. Don't I already pay for a stormwater program?

Yes, but that program is designated for flood control, not clean water.