

Fee Credits, Rebates, and Exemptions

Fee Credits

Chapter 151 requires a county or municipality that is subject to a Phase I municipal separate storm sewer system (MS4) permit to establish Maryland Department of the Environment (MDE)-approved policies that reduce a portion of the stormwater fee assessed to account for on-site and off-site systems, facilities, services, or activities that reduce the quantity or improve the quality of stormwater discharged from a property. As shown in **Exhibit 2.3**, every Phase I MS4 jurisdiction that has established a stormwater remediation fee has implemented or intends to implement a fee credit program, as required by Chapter 151. To date, six jurisdictions have outlined the requirements of the fee credit program, while three jurisdictions (Frederick, Harford, and Prince George's counties) have indicated that a fee credit program will be established in the future. While the eligibility requirements for the fee credit program vary by jurisdiction, many of the programs cap the percentage by which a fee may be reduced and specify that a fee may only be reduced by certain amounts depending on the type of property and best management practice. For example, in Montgomery County, property owners may reduce their fee by up to 60% depending on the type of practice and the volume of water treated. By contrast, in Howard County, the fee reduction and the eligibility requirements for the fee reduction vary based on the type of property owned (*i.e.*, residential, nonresidential, and nonprofit).

Rebates

Although Chapter 151 does not specifically authorize the creation of a rebate program, several jurisdictions have established rebate programs to incentivize the installation of stormwater best management practices (BMPs) by property owners. To date, four jurisdictions (Anne Arundel, Charles, Howard, and Prince George's counties) have authorized the establishment of a rebate program to help defray some of the costs of implementing BMPs. Additionally, Montgomery County has a preexisting rebate program to assist in the construction of BMPs, including special rebates for those in designated target neighborhoods. The remaining jurisdictions have not established a rebate program.

Exhibit 2.3
Fee Credits, Rebates, and Exemptions

<u>County</u>	<u>Credits</u>	<u>Rebates</u>	<u>Exemptions</u>
Anne Arundel	For multifamily residential and nonresidential properties, fees may be reduced by up to 50% for properties containing a NPDES permit that includes stormwater controls or for existing onsite BMPs. Marinas are also entitled to a reduction of up to 50%.	For residential properties, the county will provide rebates for the purchase, construction, and installation of qualifying stormwater management practices.	Government properties, unimproved properties, property located in Annapolis, and financial hardship (subject to specified conditions and regulations).
Baltimore City	For a variety of on-site BMPs like installing rain gardens, planting trees, participating in organized clean ups, and other approved activities. Credits vary by type of activity. Property owners approved for senior citizen or low-income discounts for water/wastewater bills will automatically receive a stormwater fee discount. Additionally, nonsingle-family properties may qualify to have the fee capped at 20% of their combined State and local property taxes.	n/a	Government properties; fire departments; and substantial financial hardship.
Baltimore	Fees may be reduced to no less than 26% of the calculated fee for onsite and offsite systems that improve water quality. The fee reduction is based on the amount of impervious surface that drains to the BMP and the efficiency of the practice at removing pollutants.	n/a	Government properties, volunteer fire departments, unimproved residential properties, agricultural nonresidential properties, and financial hardship.
Carroll	n/a	n/a	n/a

<u>County</u>	<u>Credits</u>	<u>Rebates</u>	<u>Exemptions</u>
Charles	Fees may be reduced by up to 50% for on-site systems, facilities, activities, or services that comply with the <i>2000 Maryland Stormwater Design Manual</i> ; for agricultural properties covered by specified plans; or for properties built before July 1, 2001, that possesses specified stormwater treatments.	County legislation authorizes the creation of a rebate program to incentivize the installation of stormwater BMPs by property owners.	Government properties, volunteer fire and emergency medical services, disabled veterans, properties with NPDES permits with a provision to contain 20% of impervious surface within a five-year period, and financial hardship (residential and agricultural properties only).
Frederick	A fee credit program will be adopted in the future under the direction of the Community Development Division.	n/a	Government properties, volunteer fire companies, property located within an incorporated municipality, and financial hardship.
Harford	According to the county, rules and regulations to be adopted by the Harford County Department of Public Works will allow for credits of up to 50% of the fee for specified BMPs. Additionally, new communities and commercial sites that meet current design standards may be eligible for credits.	n/a	Government properties, regularly organized fire departments used for public purposes, property located within the municipal boundaries of an incorporated town or city, unimproved property, and financial hardship.
Howard	Fees may be reduced by up to 20% for residential properties if the BMP manages a certain amount of impervious surface area (based on the size of the lot). For nonresidential properties, the fee may be reduced by up to 50% under specified circumstances. For properties owned by a nonprofit, the fee may be reduced by up to 100% after implementing a county approved treatment plan.	Properties that are not currently treated to the levels of the <i>2000 Maryland Stormwater Design Manual</i> are eligible for a one-time reimbursement payment for an investment made by the property owner that benefits the public stormwater system. Reimbursements are granted for specified practices.	Government properties, regularly organized volunteer fire departments that are used for public purposes and that have entered into an agreement with the county to provide fire protection services, and financial hardship (residential property owners).

<u>County</u>	<u>Credits</u>	<u>Rebates</u>	<u>Exemptions</u>
Montgomery	By installing stormwater BMPs, property owners may reduce their fee by up to 60% depending on the type of practice and the volume of water treated.	Preexisting law contains a rebate program to assist in the construction of stormwater BMPs. The program includes target neighborhoods identified by the county with an inventory of priority projects for property owners within those neighborhoods to undertake with rebate funds.	Hardship exemption available for residential and nonprofit properties.
Prince George's	The county is in the process of developing regulations that would provide for a fee reduction to account for on-site and off-site systems, facilities, services, or activities that reduce the quantity or improve the quality of stormwater discharged from the property.	Property owners that install approved BMPs may be eligible for a rebate. Rebate ceilings are set at \$2,000 for residential properties and \$20,000 for commercial properties, multifamily dwellings, and nonprofit organizations.	Government properties; regularly organized volunteer fire departments used for public purposes, certain qualified tax-exempt religious organizations, and financial hardship.

BMP: best management practices

NPDES: National Pollutant Discharge Elimination System

Source: Department of Legislative Services

Exemptions

Chapter 151 specifies that property owned by the State, a local government, or a volunteer fire department is exempt from the stormwater fee and requires exemptions to be available based on financial hardship. Every Phase I MS4 jurisdiction¹ that has established a stormwater remediation fee provides for an exemption for government properties, volunteer fire departments, and financial hardship. Several jurisdictions also provide fee exemptions for unimproved properties. In some cases, properties with certain National Pollutant Discharge Elimination System permits, properties owned by disabled veterans, and agricultural nonresidential properties are also exempt from the fee.

¹ Although Montgomery County did not specifically exempt government properties and properties owned by volunteer fire departments under its legislation, those actors are exempt by State law and, therefore, exempt under the county's program.