



House Bill 742

Environment – Water Service Shut Off Protection Act

MACo Position: **OPPOSE**

To: Environment and Transportation Committee

Date: February 24, 2016

From: Andrea Mansfield & Natasha Mehu

The Maryland Association of Counties (MACo) **OPPOSES** HB 742. This bill would establish a process that must be followed by a provider of water and sewer system services before the service could be turned off for non-payment. MACo is concerned with the onerous nature of the process outlined in the bill and the effect on all payers of these services should water and sewer bills go unpaid for prolonged periods of time.

Each jurisdiction providing these services has a process in place for notifying residents of unpaid water and sewer bills and for collecting past due payments. This process involves a cancellation notice being sent after a bill has been unpaid for a certain duration of time. This timeframe may vary based on the county, but all counties send notices, some multiple, prior to shutting off service.

The process outlined in HB 742 would require multiple notices to be sent and at least two visits to the residence to post notices. In addition, the bill stipulates a number of conditions for which the county would be prohibited from turning off the service, such as a resident living in the home being over the age of 62 or under the age of 6, or certain medical conditions. Additional staff time would be necessary to deliver notices and a process would need to be put in place to verify that residents meet the conditions specified in the bill. These new requirements would place a substantial financial and administrative burden on county governments to comply.

The claim and appeal process could also be problematic. Counties are prohibited from discontinuing service while a claim or appeal is under consideration. This could result in services being provided for a prolonged period of time without payment, affecting the county's budget and the charges being paid by other service recipients.

MACo believes all property owners deserve full and adequate notice of any collection efforts to collect taxes or charges assessed on a person's residence and understands the public health concerns being raised by the sponsor. However, the fair application of public taxes and charges necessitates that they be paid by all taxpayers. Sporadic or uneven implementation simply permits some to avoid paying while the remaining majority bear more than their fair share of the costs of public services.

The ability to discontinue a resident's water or sewer service, or more specifically the potential of discontinuing the service, presents a much-needed device to ensure property owners remit payment for their fair share of taxes and charges connected to public services. HB 742 removes this leverage and undoubtedly would create many more deficient accounts for water and sewer bills from lack of enforcement – leading to increased rates on citizens who properly pay. For these reasons, MACo **OPPOSES** HB 742 and urges an **UNFAVORABLE** report.