

**ANNE ARUNDEL COUNTY, MARYLAND  
OFFICE OF THE BUDGET**

**BILL NUMBER: 54-26**

**INTRO. DATE: June 1, 2026**

**FISCAL NOTE**

**BILL: Public Works – Utilities – Non-Compliant Water Service Lines**

**SUMMARY OF LEGISLATION**

This bill requires the County to replace water service lines on private property that are out of compliance with state and federal laws and regulations at the owner’s request, or if the owner fails to replace the line within 90 days of notice from the Department of Public Works (DPW). The bill provides for the County to charge the property owner for the final cost of the replacement. If the charge is unpaid after 90 days, the County is to collect the charge through the property tax billing and collection process.

**FISCAL IMPACT**

Operating Budget – Personal Services: No effect. DPW and the Office of Finance can implement the bill’s requirements with existing staff.

Operating Budget – Other Operating Costs: No effect. DPW and the Office of Finance can implement the bill’s requirements with existing resources.

Capital Budget: Based on DPW’s current inventory knowledge and the percentage of pipes needing replacement due to lead content, DPW estimates the installation of new service lines at \$12.5 million. To the extent that property owners replace non-compliant water lines themselves, the amount needed would decrease. To the extent that DPW recovers costs from property owners, the need for funding from utility bonds financed from Infrastructure Maintenance Fees would decrease up to the estimated \$12.5 million. The proposed Capital Budget and Program for fiscal years 2027 through 2032 include \$51.7 million for replacement of lead service lines in the County (project W810500).

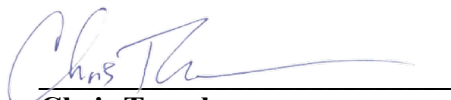
Revenues: Revenue from charges for water line replacements would increase by up to \$12.5 million.

Indirect and future fiscal effects: The Council enacted Bill 94-25, which took effect February 22, 2026. That bill expanded the allowable uses of the Environmental Protection Fee to include “improvements for regulatory compliance” so that the County can complete federally mandated lead-pipe replacement on private property; allowed DPW designees and contractors a right of entry to complete the replacements; and renamed the fee to be the “Infrastructure Maintenance Fee.”

The federal requirements stem from the Environmental Protection Agency’s (EPA) revised Lead and Copper Rule (LCR), an amendment to the Safe Drinking Water Act. The LCR requires all public water systems to develop and implement a plan to remove all lead service lines. A significant portion of these lines, which connect the County-owned water mains to the homes’ plumbing, are located on private

property. Completing this work is a legal obligation with strict deadlines and potential penalties for non-compliance.

DPW estimated that those inspections will cost approximately \$1.3 million. Until the inspections are completed, DPW will not know how many water lines require replacement. Based on DPW's current knowledge of the inventory and the percentage of pipes needing replacement, DPW puts its initial estimate at \$12.5 million.

  
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Budget Officer

6/8/2026  
Date

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