



TALBOT COUNTY DEPARTMENT OF PUBLIC WORKS

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RE: OSDS BAT BRF Grant Standard Packet Summary:

See document **BRF Program Guidance FY2024** to follow along with the summary below.

Bay Restoration Funding (BRF) is a grant for the cost and installation of the Best Available Technology (BAT) System also including the cost of a two-year Operations and Maintenance (O&M) package. After the first two years, the owner will be responsible for paying for the O & M inspections performed by a certified service provider. The grant does not pay for non-BAT components such as drain fields unless you qualify for low-income status.

Who May Apply?

Based on the amount of grant funding allocated to Talbot County for the fiscal year and the amount of applicants applying for funding, applicants will be prioritized based on having submitted a completed application. Priority status is based on the "BRF Program Guidance" document prioritization list.

The BRF grant eligibility is a two-part process. The Office of Environmental Health (OEH) should be contacted to secure the required documents for your septic repair and/or new septic system. Documents required from OEH for the grant application are as follows: Letter of Determination, an "issued" Sanitary Construction Permit (SCP) design and signed three way agreement initiated by the BAT vendor. Applicants will need to submit the following documents to the Department of Public Works (DPW): a notarized Public works Agreement between the property owner(s) and DPW, current year income tax information as required by Maryland Department of the Environment (MDE) to determine the eligibility of grant funding, as well as the required documents from OEH. Additional information may be requested as needed based on complexity of the application and meeting the overall grant requirements.

The property owner(s) as listed on the deed must own the property until installation of the BAT system is **complete**. If sale of the property happens after the grant recipient's grant offer is issued and installation is incomplete, the grant will be rescinded. The new owner can apply for the grant prior to installation of the BAT unit to qualify for grant eligibility; however, the funding amount may not be the same unless determined otherwise. If the BAT unit installation process is started without an awarded grant offer, the grant will be rescinded. The **completed** BAT unit process includes the "start-up" document and the "two way agreement" which is signed by both parties and has been accepted by Office of Environmental Health for the final approval of the Sanitary Construction Permit.

The highest priority for funding is a failing septic as determined by the Office of Environmental Health. A Health Specialist will evaluate the property and the existing septic system for visual indicators of a failing septic system. A septic evaluation report may be necessary to for a more in depth evaluation to verify a failing septic system. If a septic report is completed, a copy should be submitted to OEH for a failing determination.

Grant Eligibility

The grant eligibility amount is based on the annual household income for all owners of the property, refer to “BRF Program Guidance, Section II. Income Based Grant Eligibility.” The income is required for all persons listed as the property owners on the deed. Depending on the income level and/or business status, the grant level (by percentage) will determine the cost that the grant will cover. Proof of income is required for applicants seeking 100% funding. Applicants are required to provide a copy of their 2022 Federal Income tax return as submitted to the IRS. In order for an applicant to be determined “low income,” an IRS verification transcript or a non-filing status letter must be obtained from the IRS and submitted as proof. One Hundred percent funding amount is based on a standard BAT system, if a larger system is required by OEH, the additional cost will be approved by MDE on case-by-case bases.

- Income eligibility limits are listed on page 3 of the “BRF Program Guidance” document (note, the household size is as listed on the applicant’s Federal Tax return under exemptions). Grant funding may also pay for repairs and/or replacement of non-BAT components such as the drain field for low-income applicants only. MDE requires (3) three contractor bids for low-income applications submitted by the applicant to DPW for approval and the lowest bid is awarded the contract by DPW and MDE. If the applicant does not file income taxes, the applicant needs to provide an IRS verification transcript of a non-filing status to DPW. ***For assistance, please contact the IRS at 1-800-908-9946 or visit the website at <https://www.fmcc.edu/admissions/financial-aid/irs-verification-non-filing-letter/>.***
- If the property owner(s) total household income is **under** \$300,000, as shown on the 1040 form of the federal tax return, you may be eligible for the 100% grant funding of the cost of the BAT unit (tank only).
- If the property owner(s) total household income is **over** \$300,000, income information will not be required. The property owner could be eligible for 50% grant funding of the cost of the BAT unit (tank only).
- Business owned property, such as an LLC, are only eligible for 50% grant funding regardless of BAT unit (tank size). If the owner qualifies as a “Small Business,” they can be eligible to receive up to 75% grant funding. The link to register and receive a small business number is <http://www.emarylandmarketplace.com/>.
- Non-profit Organizations are 100% eligible of the BAT system (tank only); **non-BAT components are not eligible**. Verification of a non-profit entity and proof of income are required for funding by submitting federal income tax form 990.
- New construction projects - the owner is responsible for a \$1,200 deductible from the grant amount. (See “BRF Program Guidance, Section III. Eligible Projects for SSUP Grant Funding,” #2 about the new construction deductible.)

Application Document Requirements*:

1. A Public Works Agreement (PWA) as initiated by DPW, which all property owner(s) as listed on the recorded deed will need to sign before a public notary. The original signed copy will need to be returned to DPW, (copies will not be accepted) **THIS DOCUMENT IS NOT AN APPLICATION**
2. The property owner(s) shall provide a copy of their 2022 **1040 Form** of your Federal Tax return (current year), If the property is owned by a trust or life estate, all owners listed will need to submit income information.
3. SB554 Letter of Determination from the OEH
4. Copy of the approved Sanitary Construction Permit from the OEH
5. Three-Way Agreement signed by BAT unit vendor, property owner and septic contractor
6. If someone listed on the recorded deed for the property is deceased, a copy of his/her death certificate is required. (as applicable)
7. Additional information may be requested as per MDE requirements.

**These documents make up the application. Applicants will be placed on the list to receive funding upon receipt of complete documentation submittal to DPW.*

For Additional information review the following documents:

- The **Talbot County BRF Application Process Summary - 2023** – Outlines the county process and describes the basic steps for your septic repairs regarding the grant process.
- The **BRF Program Guidance FY2024** is the document that describes in detail the grant and eligibility requirements from Maryland Department of the Environment (MDE).

Please contact Kendra Blake, Contract Manager for OSDS at (410) 770-8170 if you have any questions or visit the Maryland Department of the Environment’s website at:

<https://mde.maryland.gov/programs/water/BayRestorationFund/OnsiteDisposalSystems/Pages/index.aspx>