

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE

House Bill 1572 (Delegates Weir and Minnick)
Environmental Matters

Navigable Water - Licenses for Improvements to Land - Fee Limits

This bill prohibits the Board of Public Works (BPW) from charging a fee of more than \$50 for an individual tidal wetlands license issued for riparian structures or activities where the structure or activity is not intended to increase revenues to a commercial enterprise, and for which a public hearing is not conducted. The fee limit would apply regardless of whether the riparian structures or activities are intended to improve navigation.

Fiscal Summary

State Effect: Special fund revenues would decrease by \$950 for each affected license. The bill would not directly affect expenditures.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: The Wetlands and Waterways Program within the Maryland Department of the Environment (MDE) administers a statewide program for the management, conservation, and protection of Maryland's tidal wetlands and nontidal wetlands and waterways, including the 100-year floodplain. Permits granted for work in privately-owned wetlands are issued by MDE; licenses granted for work in State-owned wetlands are issued by BPW. BPW may require that compensation be made to the State as a condition to issuance of a tidal wetlands license. Any monetary compensation paid to the State in conjunction with a wetlands license is credited to the Tidal Wetlands

Compensation Fund. MDE must use the fund for acquisition and conservation of wetland areas by the State, including cost-sharing assistance to landowners in the management and control of phragmites.

Under current BPW regulations, a nonrecurring, nonrefundable license fee of \$1,000 applies for any individual license authorizing a riparian commercial structure or activity when this structure or riparian community structure or activity aids the expansion or operation and is intended to increase the revenue of the riparian commercial enterprise or improvement to navigation. A nonrecurring, nonrefundable license fee of \$250 applies for any individual license that is within the rights of a riparian landowner and has no substantial or long-term adverse effect on State wetlands, and a fee of \$500 applies for any individual license in extraordinary cases. Compensation is not required for certain dredging activities, and other fees may apply to certain dredging activities and the installation of cables, pipelines, and other structures.

Under current BPW regulations, MDE is required to schedule a public informational hearing on an application for an individual license upon written request or upon a determination by MDE that a hearing is in the best interest of the State.

State Revenues: Currently, BPW charges \$1,000 for each license affected by the bill. Under the bill, BPW would be limited to charging no more than \$50 per license under specified conditions. Accordingly, for each affected license, special fund revenues to MDE's Tidal Wetlands Compensation Fund would decrease by \$950. Because future license applications cannot be predicted, a reliable estimate of the total decrease in special fund revenues cannot be made at this time.

Additional Information

Prior Introductions: None.

Cross File: SB 1005 (Senator Stone) – Education, Health, and Environmental Affairs.

Information Source(s): Maryland Department of the Environment, Board of Public Works, Department of Legislative Services

Fiscal Note History: First Reader - March 21, 2005
ncs/ljm

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