

SENATE BILL 442

M3

8lr2543

By: **Senators Frosh, Conway, and Pinsky**

Introduced and read first time: January 31, 2008

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Environment – Clean Air Permit Fees**

3 FOR the purpose of prohibiting all moneys in the Maryland Clean Air Fund from
4 reverting or being transferred to the General Fund; increasing the maximum
5 amount of a certain fee; eliminating the cap on a certain fee; removing obsolete
6 language; making stylistic changes; and generally relating to air quality and
7 permit fees.

8 BY repealing and reenacting, with amendments,
9 Article – Environment
10 Section 2–107 and 2–403
11 Annotated Code of Maryland
12 (2007 Replacement Volume and 2007 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article – Environment**

16 2–107.

17 (a) There is a Maryland Clean Air Fund.

18 (b) All application fees, permit fees, renewal fees, and funds collected by the
19 Department under this title or Title 6, Subtitle 4 of this article, including any civil or
20 administrative penalty or any fine imposed by a court under these provisions, shall be
21 paid into the Maryland Clean Air Fund.

22 (c) (1) Subject to the appropriation process in the annual operating
23 budget, the Department shall use the Maryland Clean Air Fund for:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) Activities conducted under this title that are related to
2 identifying, monitoring, and regulating air pollution in this State, including program
3 development of these activities as provided in the State budget; and

4 (ii) Providing grants to local governments to supplement
5 funding for programs conducted by local governments that are consistent with this
6 title and the State program.

7 (2) Subject to Title 10, Subtitle 1 of the State Government Article
8 (Administrative Procedure Act – Regulations), the Department shall adopt rules and
9 regulations for the management and use of the money in the Fund.

10 (3) At the end of the fiscal year, the Department shall prepare an
11 annual report on the Maryland Clean Air Fund that includes an accounting of all
12 financial receipts and expenditures to and from the Fund and shall:

13 (i) Provide a copy of the report to the General Assembly, as
14 provided under § 2–1246 of the State Government Article; and

15 (ii) Upon request, make the report available to permit holders
16 under this title.

17 (4) [When the Fund equals or exceeds a maximum limit of \$750,000,
18 additional moneys received for the Fund by the Department shall be deposited to the
19 General Fund.] **MONEYS IN THE FUND MAY NOT REVERT OR BE TRANSFERRED**
20 **TO THE GENERAL FUND OF THE STATE.**

21 2–403.

22 (a) (1) The Department, by regulation, shall require and collect a fee for
23 each permit issued under § 2–401 of this subtitle.

24 (2) In adopting the regulations under this section, the Department
25 shall consult with industry to determine that the permit fee is reasonable and directly
26 related to the actual cost of the permitting and regulatory activity, and does not exceed
27 a certain dollar amount.

28 (b) (1) The amount of the fees shall cover:

29 (i) The reasonable cost of reviewing and acting on the
30 application for the permits;

31 (ii) The reasonable costs incurred in implementing and
32 enforcing the terms and conditions of the permits, exclusive of any court costs or other
33 costs associated with any enforcement actions; and

1 (iii) The costs identified in § 502(b)(3) of the Clean Air Act
2 Amendments of 1990.

3 (2) Fees assessed and collected under this section shall be used
4 exclusively for the development and administration of the permit program under this
5 subtitle.

6 (c) [(1)] The fee established under this section may not exceed[:

7 (i) For calendar year 1993, \$15 per ton of regulated emissions;

8 (ii) For calendar year 1994, \$18 per ton of regulated emissions;

9 (iii) For calendar year 1995, \$20 per ton of regulated emissions;
10 and

11 (iv) For calendar year 1996 and each calendar year thereafter,
12 \$25 per ton of regulated emissions.

13 (2) The fee established under this section may not exceed, for any
14 single source, \$200,000] **\$50 PER TON OF REGULATED EMISSIONS.**

15 (3) [For purposes of this section, starting in calendar year 1997, the
16 dollar amounts used in] **THE FEE ESTABLISHED UNDER** this section may be adjusted
17 to reflect changes in the Consumer Price Index, as authorized by 40 CFR Part 70
18 (Operating Permit Program).

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 October 1, 2008.