

Department of Legislative Services
 Maryland General Assembly
 2019 Session

FISCAL AND POLICY NOTE
 Third Reader - Revised

House Bill 406

(Delegate Beitzel)

Environment and Transportation

Education, Health, and Environmental Affairs

Wetlands and Waterways Program - State-Owned Lakes - Structural Shoreline Stabilization

This bill limits the application fee charged under the Wetlands and Waterways Program within the Maryland Department of the Environment (MDE) for a structural shoreline stabilization project located on or adjacent to a State-owned lake to a maximum of \$250. The bill also requires MDE, in conjunction with the Department of Natural Resources (DNR), to identify up to three types of structural shoreline stabilization practices that may be implemented on or adjacent to a State-owned lake.

Fiscal Summary

State Effect: Special fund revenues decrease by an estimated \$6,000 in FY 2020, and by \$8,000 annually thereafter, due to the fee cap. Expenditures are not materially affected.

(in dollars)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
SF Revenue	(\$6,000)	(\$8,000)	(\$8,000)	(\$8,000)	(\$8,000)
Expenditure	0	0	0	0	0
Net Effect	(\$6,000)	(\$8,000)	(\$8,000)	(\$8,000)	(\$8,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: The bill is not anticipated to materially affect local operations or finances.

Small Business Effect: Minimal.

Analysis

Bill Summary: Although MDE may not impose an application fee of more than \$250 for a structural shoreline stabilization project located on or adjacent to a State-owned lake

without legislative enactment, MDE is authorized to adjust the fee to reflect changes in the consumer price index, as specified.

Current Law: The Wetlands and Waterways Program within MDE administers a statewide program for the management, conservation, and protection of Maryland's tidal wetlands and nontidal wetlands and waterways, including shoreline stabilization projects.

Permit application fees are charged based on the project's square footage of permanent impact on wetlands or waterways in the State. Application fees range from \$250 for minor modifications to \$7,500 per acre for major projects that affect one acre or more. An application for a minor project or a general permit is \$750. According to MDE, application fees for shoreline stabilization projects are generally \$750. However, nonstructural shoreline stabilization projects, such as vegetative stabilization and stream restoration projects, are exempt from the requirement to pay an application fee.

Background: MDE has shoreline stabilization fact sheets available on its [website](#). According to MDE, erosion and sedimentation (the deposition of sediment) are natural processes but often are in conflict with our use of the shoreline. The most noticeable problem created by erosion is the loss of waterfront property. There are three primary approaches to shoreline stabilization, including (1) no action; (2) nonstructural methods, including beach nourishment, slope grading and terracing, and marsh creation; and (3) structural practices, including revetments, breakwaters, jetties and groins, and sand containment structures. Determining the appropriate approach depends on individual properties and is based on several factors, including the landowner's goals, the amount of wave energy, and the slope of the bank.

There are 16 State-owned or -operated lakes, with Deep Creek Lake being the largest. MDE advises that the department, in conjunction with DNR, has already standardized the shoreline revetments along Deep Creek Lake to two basic designs, and a third design would use the best available technology as it becomes available. Accordingly, MDE and DNR have largely accomplished the bill's requirement to identify shoreline stabilization practices.

State Revenues: Special fund revenues to MDE's Wetlands and Waterways Program Fund decrease by an estimated \$6,000 in fiscal 2020, which accounts for the bill's October 1, 2019 effective date, and by an estimated \$8,000 annually thereafter due to the fee cap. This estimate is based on the following information:

- MDE receives an average of 16 permit applications each year for shoreline stabilization projects along Deep Creek Lake; and
- for each project subject to the fee cap, special fund revenues decrease by \$500.

MDE advises that the bill primarily affects lakefront property on Deep Creek Lake in Garrett County.

Additional Information

Prior Introductions: SB 1070 of 2018, a similar bill, received a hearing in the Senate Education, Health, and Environmental Affairs Committee, but no further action was taken. Its cross file, HB 1077, passed the House with amendments and received an unfavorable report from the Senate Education, Health, and Environmental Affairs Committee.

Cross File: None.

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

Fiscal Note History: First Reader - February 18, 2019
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