

**HB245\_MACoEM\_FAV.pdf**

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Position: FAV



**MARYLAND**  
*Association of*  
**COUNTIES**

**COUNTY EMERGENCY MANAGERS AFFILIATE**

**LETTER IN SUPPORT OF HB 245**

**DEPARTMENT OF ENVIRONMENT - FEES, PENALTIES, FUNDING, AND REGULATION**

**SENATE EDUCATION, ENERGY, AND THE ENVIRONMENT COMMITTEE**

**MARCH 26, 2024**

The Maryland Association of Counties (MACo.) Emergency Managers Affiliate **SUPPORTS HB 245 - Department of Environment - Fees, Penalties, Funding, and Regulation**. This bill establishes a Private Dam Repair Fund and Loan Program to provide a dedicated funding source for owners of private dams that have been classified as high hazard or significant hazard dams by the Maryland Department of the Environment (MDE).

Dams are recognized as a hazard in the Maryland Hazard Mitigation Plan (2021), with their classifications based on the potential downstream damage if the dam were to fail. High and significant hazard dams present considerable risks such as loss of life and flooding for homes, roads, and businesses. Maryland has experienced several dam failures in recent years, and the Maryland Hazard Mitigation Plan predicts a high likelihood of future damage from dam failures, particularly as climate change leads to more frequent and intense rainfall events.

This legislation aims to establish a framework for the MDE to develop a system that will aid in the reduction of risks associated with high and significant hazard dams. By implementing fees and establishing the Private Dam Repair Fund and Loan Program, this bill will ensure a financial resource for private dams that pose a threat to life and property throughout the state.

It is imperative that proactive measures are taken to address these risks and protect our communities. This legislation provides a clear path forward, ensuring that the necessary resources are available to address the maintenance and repair needs of high-risk dams. By supporting this bill, the State can safeguard lives, property, and infrastructure, and ensure a safer and more resilient future for all Marylanders. Thus, the Emergency Managers Affiliate asks this Committee to give **HB 245** a **FAVORABLE** report.

Sincerely,

Preeti Emrick

MACo EM Affiliate President

**SB-353.pdf**

Uploaded by: Darrell Abed

Position: FAV

**Senate Bill 353 - SUPPORT**

**Senate Bill 353 - Environment - CAD Task Force  
House Committee on Environment and Transportation**

My name is Darrell Abed. I live in the community of Stoney Beach Condominiums in Northern Anne Arundel County.

I strongly support Senate Bill 353 and its independent investigatory role, independent scientific expertise, and meaningful citizen inclusion and legislator participation. It is of utmost importance that a great environmental injustice is not committed in the name of cost and convenience to the state.

Sincerely,

*Darrell Abed*

Darrell Abed

Stoney Beach Condominiums

# **Department of the Environment - Fees, Penalties, F**

Uploaded by: Ernesto Villasenor

Position: FAV

**Committee:** Environment, Energy, and Transportation  
**Testimony:** Department of the Environment – Fees, Penalties, Funding, and Regulation (HB 245)  
**Position:** Favorable  
**Hearing Date:** March 26, 2024

**Ernesto Villaseñor, Jr., J.D**  
**Chesapeake Climate Action Network Action Fund**

On behalf of the Chesapeake Climate Action Network Action Fund, we strongly support (HB 245), which grants the Maryland Department of the Environment (MDE) the authority to adjust different fees associated with the programs and services it offers, and request a favorable finding. Given the onset of fiscal instability in the state, it becomes crucial to assess MDE's fees in a manner that ensures both environmental and fiscal sustainability. This legislation tackles the evolving dynamics faced by the MDE, empowering them with increased resources to enhance their effectiveness in carrying out their duties and also enables the addition of essential staff to ensure proper oversight of industries and activities that may negatively impact the environment and our waterways.

HB 245 broadens the scope of activities eligible for funding under the Maryland Clean Air Fund. This proactive measure enables strategic investments in initiatives aimed at reducing air pollution within our state, fostering cleaner air and healthier communities. The bill includes a provision to prevent funds deposited into the Maryland Clean Air Fund from reverting to the General Fund. This safeguard is essential for maintaining the fund's effectiveness and ensuring that resources allocated for environmental protection remain dedicated to their intended purpose.

HB 245 establishes the Private Dam Repair Fund, dedicated to financing the repair, enhancement, or removal of private dams. This proactive step enhances public safety and protects our waterways by addressing urgent infrastructure needs and mitigating the risks associated with dam failures.

The legislation also includes provisions aimed at establishing fees, administering loans, and enforcing penalties in a manner that fosters accountability, transparency, and fiscal responsibility. By directing resources towards targeted programs and initiatives, HB 245 ensures that our environmental protection efforts are sustainable and effective.

In conclusion, HB 245 presents a significant opportunity to strengthen Maryland's environmental stewardship, safeguard public health and safety, and preserve our natural heritage for future generations. Chesapeake Climate Action Network Action Fund urges the committee to find this vital legislation favorable.

**CONTACT**  
**Ernesto Villaseñor, Jr., JD | Policy Manager**  
**Chesapeake Climate Action Network Action Fund**  
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# **CF HB245 - Maryland LCV SUPPORT\_ Environmental Fee**

Uploaded by: Kristen Harbeson

Position: FAV



**March 26, 2024**

Kim Coble  
Executive Director

2024 Board of  
Directors

**SUPPORT: HB245 - Department of the Environment - Fees, Penalties, Funding and Regulation**

Lynn Heller, Chair  
The Hon. Nancy Kopp,  
Treasurer  
Kimberly Armstrong  
Mike Davis  
Candace Dodson-Reed  
Verna Harrison  
Melanie Hartwig-Davis  
Charles Hernick  
The Hon. Steve Lafferty  
Patrick Miller  
Bonnie L. Norman  
Katherine (Kitty)  
Thomas

Mr. Chair and Members of the Committee:

Maryland LCV supports HB245 - Department of the Environment - Fees, Penalties, Funding, and Regulation and we thank the Department for taking the initiative on this important issue.

In 2018 the Department of Legislative Services issued an Executive Branch Staffing Adequacy Study<sup>1</sup>, which documented staffing inadequacies in eleven state agencies. At that time they noted that the Department had a quantifiable staffing shortage of 245 PINs including both inspectors and administrative positions. This shortage has grown over the intervening years as the demands for enforcement of environmental laws that protect our air, land, water and communities have outpaced the growth of the agency's resources. In 2022, the Maryland General Assembly passed the Climate Solutions Now Act, positioning Maryland as a national leader on greenhouse gas emissions reductions, and the resulting health and economic benefits. The responsibility for implementation of this vital legislation lands primarily on the Maryland Department of the Environment to lead and enforce.

In the 2023 budget, recognizing these challenges, the Moore Administration and the Maryland General Assembly provided funding for nine additional staff to address the increased workload. This progress did not go far enough to confront the substantial structural inadequacy of Agency funding or staffing levels. HB245 takes an important additional step in that direction by ensuring that the agency will have resources to pursue its mandate for delivering protections for the environment, especially in already overburdened and underserved areas, and supporting its ability to be responsive to calls from community members for assistance. We urge the General Assembly to continue to look for ways to increase the funding for this critical agency without adding to the tax-payer burden through ensuring that fees are sufficient to support their program administration, and penalties are sufficient to deter polluters.

The Maryland Department of the Environment has done an admirable job of reaching out to stakeholders in crafting this legislation and the result balances the critical need for additional funding through right-sizing fees with the impact of the increases on the affected industries.

Maryland LCV urges a **Favorable** report on this important bill.

<sup>1</sup> <https://dls.maryland.gov/pubs/prod/TaxFiscalPlan/Executive-Branch-Staffing-Adequacy-Study.pdf>



# **HB 245 MDE SUP.pdf**

Uploaded by: Les Knapp

Position: FAV



**The Maryland Department of the Environment  
Secretary Serena McIlwain**

***House Bill 245***

***Department of the Environment - Fees, Penalties, Funding, and Regulation***

**Position:** Support  
**Committee:** Education, Energy, and the Environment  
**Date:** March 26, 2024  
**From:** Leslie Knapp, Jr.

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The Maryland Department of the Environment (MDE) **SUPPORTS** HB 245 as amended. The bill addresses numerous programmatic and fiscal challenges MDE faces by making necessary fee and policy adjustments.

**Bill Summary**

The bill proposes changes to MDE's fee structures in various land, air, and water programs. Attached is MDE's bill summary with a full description of the bill's changes and why the changes are necessary.

**Guiding Principles**

In approaching the issue of fees, MDE followed four guiding principles:

1. *Environmental/Programmatic Sustainability:* MDE considered which programs are challenged with meeting environmental protection requirements or timely public service.
2. *Budgetary/Fiscal Sustainability:* MDE considered which programs are running deficits, particularly those that must be made up by general funds.
3. *Responsible Party Pays:* A person who is receiving a service from MDE or who has created a problem that MDE must address should be the person who pays.
4. *Economic Growth/Leave No One Behind:* MDE also considered the economic impact on the individuals and businesses that would be affected by the fees, as well as the impact on underserved and overburdened communities.

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**Contact:** Les Knapp, Government Relations Director  
Cell: 410-453-2611, Email: [les.knapp@maryland.gov](mailto:les.knapp@maryland.gov)

## **Stakeholder Outreach**

MDE staff has met with various stakeholders, including businesses, local governments, and the environmental community, to discuss the proposed fee changes. In response to these discussions, MDE addressed many of the concerns raised through the amendments in the House of Delegates.

## **Policy Impact**

House Bill 245 will affect programs in all three of MDE's policy administrations, including Air and Radiation, Land and Materials, and Water and Science. The bill addresses staffing and resource shortfalls, permitting capacity, training, ongoing public health and safety concerns, and compliance with federal law.

## **Fiscal Impact**

House Bill 245 will have a total fiscal impact of \$11.9 million. This includes an increase of \$12.2 million in special funds, reflecting both new annual revenue and the prevention of annual budget shortfalls. There will also be a total of \$3.5 million in general fund reductions if the bill passes.

## **Conclusion**

MDE believes that the fee and policy adjustments proposed in HB 245 are vital to improving environmental protection and ensuring the safety of Maryland's residents. The bill will also improve MDE's capacity to provide better customer service and communication in a number of areas. The fees were carefully considered under the four guiding principles and affected stakeholders were consulted. Accordingly, MDE urges a **FAVORABLE** report for HB 245.

# HB 245: Department of the Environment - Fees, Penalties, Funding, and Regulation: An Overview

## Guiding Principles

- *Environmental/Programmatic Sustainability*
- *Budgetary/Fiscal Sustainability*
- *Responsible Party Pays*
- *Economic Growth/Leave No One Behind*

**Total Annual Fiscal Impact:      \$11.9 million**

- Special Fund Revenues:      \$12.2 million
- General Fund Reductions:      \$3.9 million

## Water and Science Administration (WSA) Components

- **Well and Septic Permit Application Fee**
  - *Summary:* Enables Maryland Department of the Environment (MDE) to charge an application fee for well or onsite sewage disposal system (septic system) permit applications when MDE is directly running the program for a local jurisdiction. The fee would be set in regulation but may not exceed \$575. The fee may be increased according to the Consumer Price Index (CPI), with a maximum annual increase of no more than 3%.
  - *Rationale:* MDE delegates well and septic permitting authority to local health departments or in some cases county governments, who typically charge a fee to process a well or septic permit. This would give MDE the same ability to charge a similar fee when MDE has taken back the delegated authority or the delegated authority has been returned. Currently, MDE has no legal ability to collect such a fee, limiting its ability to run a program. The fee would be set in regulation and approximate the costs of running the program.
  - *Fiscal Impact:* None at this time - this is solely enabling.

- **Responsible Personnel Training Program Certification**

- *Summary:* Authorizes MDE to establish a fee for the initial processing and renewal of responsible personnel certifications. The fee would be established by regulation, set at a rate that approximates the cost of administering and issuing the certification, and would be deposited in the Clean Water Fund.
- *Rationale:* A construction project that disturbs more than 5,000 square feet or 100 cubic yards of earth is required to have a certified responsible person involved to manage erosion, sediment, and runoff from the project. MDE's training program was originally established using federal funds and has been offered free of charge. Most adjoining states, such as Delaware, charge a fee for this training.
- *Fiscal Impact:* MDE intends the certification fee to be set at \$75 and for it to last for 3 years. This will result in about \$375,000 of projected annual revenues. This funding would go back to the Program implementing the training.

- **Wetlands and Waterways Application Fees**

- *Summary:* Adjusts wetlands and waterways application fees based on the Annual Consumer Price Index (CPI). Authorizes MDE to adjust the fees in the future based on CPI. MDE must issue a public notice of the adjusted fees 90 days prior to new fee rates taking effect.
- *Rationale:* Wetlands and waterways application fees were established in statute in 2008 and last adjusted for CPI in 2012. In 2008, MDE processed around 1,800 permits annually. Currently, MDE annually processes around 2,600 permits.
- *Fiscal Impact:* The CPI adjustment increase would represent an approximate 30% increase since the last CPI adjustment, raising an additional \$452,500 annually. The fee increase proposed was calculated in accordance with the regulations. With the fee adjustments, total revenue for the program is anticipated to be \$1,961,000 for FY 2025.

- **Tier II High Quality Watershed Fee**

- *Summary:* Creates an additional application fee for wetlands and waterways projects proposed in a Tier II High Quality Watershed of \$400 for a minor project or modification and \$1,600 for a major project or modification.
- *Rationale:* Tier II high quality watersheds are those that have an existing water quality that is significantly better than the minimum requirements and projects proposed in these watersheds receive an additional antidegradation review to protect these areas.
- The proposed fees are estimated to raise approximately \$71,800 per year to partially cover program and review costs.

- **Private Dam Repair Fund and Loan Program**

- *Summary:* Requires MDE to charge a fee for the issuance of a Dam Safety Permit (an existing permit required for the construction, repair, removal, or modification of a dam). The fee shall be set in regulation and based on project cost and the cost of MDE administering the permit. Requires all non-federal dam owners to register their dam annually with MDE and pay a registration fee established by MDE in regulation. The fee will be based on the dam's hazard classification. Requires MDE to place dam safety permit fees, dam registration fees, and penalties collected from dam violations into a new Private Dam Repair Fund. The Fund shall offer loans to private dam owners to repair dams in unsafe condition. Loans shall be made at or below market interest rates and MDE may partially forgive loans based on a dam owner's lack of financial resources. Repaid loans go back into the Fund. Increases the maximum civil penalty for water appropriation, dam, or reservoir violations from \$5,000 to \$10,000. Clarifies and simplifies definitions relating to dams.
- *Rationale:* Out of approximately 557 active dams in the State's dam inventory, 162 dams are considered in need of repair or unsafe. Seventy-six of those 162 dams are privately owned by individuals, businesses, or homeowner associations. The repair costs for just the eight privately owned high hazard dams out of the 76 are estimated at \$54 million. Many private owners lack the necessary financial resources to make needed repairs, placing the burden on counties or the State. There is very little assistance at either the State or federal level to assist. Twenty-three out of 50 states have established similar emergency dam repair funds.
- *Fiscal Impact:* The dam safety permit and registration fees would yield approximately \$618,000 in annual revenue. MDE is unable to estimate the amount of annual penalties that would be collected for dam violations. This revenue would go towards program operations or loans.

## **Air and Radiation Administration (ARA) Components**

- **Air Emission Permit Fees**

- *Summary:* Increases the Operating Permit Program fee for regulated air pollutant emissions from \$70 per ton to \$200 per ton (these amounts may be adjusted based on CPI per existing law). Removes an existing \$2 million dollar cap on the amount of money that may be held by the Clean Air Fund. Clarifies that the Maryland Clean Air Fund may be used for reducing air pollution in the State.
- *Rationale:* Maryland issues air emission permits for sources subject to federal Clean Air Act and state requirements under a program approved by EPA. The federal Clean Air Act specifically requires states to maintain fees adequate to cover the costs of the federal Title V operating permit program. MDE's current fees are no longer sufficient to cover Title V program costs and non-Title V costs due to large emission sources shutting down

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**Contact:** Les Knapp, Government Relations Director  
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- and more complex permits needing to be developed and issued to capture expanding federal and state requirements, including the need to address environmental justice concerns. Revenue projections for FY 2024 are coming in \$2.2 million below recent years and even more below years farther in the past. If MDE does not take action, EPA could disapprove Maryland's Title V program, meaning the program would be run federally and the state could be subject to sanctions.
- *Fiscal Impact:* This proposal is projected to bring in \$2.25 million dollars annually, which would bring revenues closer to past revenue levels. This is based on a \$130 increase from the current CPI-adjusted level of \$69.79 applied to 17,300 tons of billable emissions.

## Land and Materials Administration (LMA) Components

- **Oil Transfer License Fee**

- *Summary:* Clarifies that the oil transfer license fee is paid by the licensee that owns the oil upon the first transfer into the State. Increases the current 8.0 cents per barrel fee to 9.0 cents per barrel. Extends the sunset of the fee, which would decrease it to 5.0 cents per barrel from July 1, 2024 to July 1, 2029.
- *Rationale:* The oil transfer license fee is paid into the Oil Disaster Containment, Clean-Up and Contingency Fund, which is used by the Department to respond to oil and petroleum product spills and administer oil pollution control permitting and oversight. Without the extension, there will be a significant revenue shortfall. The legal clarification on when the fee is paid is needed to resolve some confusion over the issue.
- *Fiscal Impact:* If the oil transfer license fee is not renewed, there will be an estimated \$3.2 million dollar shortfall in FY 2025 and future years. MDE would have to find another source of revenue or greatly reduce staff in the Oil Pollution Program.

- **Voluntary Cleanup Program**

- *Summary:* Increases the Voluntary Cleanup Program (VCP) application fee from \$6,000 to \$10,000 and allows for cost recovery for program costs exceeding \$10,000.
- *Rationale:* The VCP has become a very popular program for brownfield cleanup and redevelopment given the property owner liability protection and local tax incentives it offers. The fee has not been adjusted since it was established in 1997 and no longer covers the cost of administering the program. Applications have increased significantly from an average of 44 from 2004 through 2020 to 62 applications in FY 2023, 71 in FY 2022, and 57 in FY 2021. VCP applications are hundreds to thousands of pages long and very difficult to process.

- *Fiscal Impact:* Between FY 2018 and FY 2021, the VCP was needed between roughly \$50,000 to \$100,000 in general funds to manage workload. In FY 2023, the program needed \$280,000 in general funds. The proposed changes, combined with federal EPA State Response grant funding, would mostly cover the costs of the program.

- **Non-Coal Surface Mining Licenses and Permits**

- *Summary:* Increases the original license, license renewal, and surface mine permit fees for non-coal surface mines. Original licenses increase from \$300 to \$500 and license renewals increase from \$150 to \$300. Surface mine permits and permit renewals increase from \$12 per acre to \$75 per acre. Additionally, the permit cap of \$1,000 would be increased to \$12,000. The cap would be increased to \$10,000 in FY 2025 and increased by \$500 a year until \$12,000 is reached in FY 2029.
- *Rationale:* Fees for non-coal surface mine permits and licenses have not been increased since 1992. Since 2009 the Mineral Oil and Gas Division has been required to perform inspections and compliance for all media associated with non-coal surface mines and the current fee structure covers less than a quarter of the Division's costs. There are no federal funds available for this program and adjacent states, including West Virginia, charge similar, if not higher, fees for similar services.
- *Fiscal Impact:* This fee increase will bring in an estimated \$1.3 million in additional annual revenue at full phase-in, covering the cost of the program and allowing for much needed staffing and equipment upgrades, such as turbidity meters, safety equipment (like chocks for the trucks), pH meters, and seismographs.
- However, the total amount received will likely be less as mining companies may choose to have less acreage covered under their permit until necessary.

- **Coal Combustion By-Products Management Fund Fee Structure**

- *Summary:* Alters how the coal combustion by-product (CCB) fee is collected. Rather than collecting the fee from current active generators of CCBs, the fee would be collected from generators whose operations or activities created CCBs after October 1, 2009. Specifies an additional factor MDE must consider when setting the CCB fee - the manpower and resources required to inspect, monitor, and evaluate the disposal, recycling, and re-use operations, activities, processes, or actions related to operational and inactive facilities when CCBs are or have been managed.
- *Rationale:* CCBs can cause significant surface and groundwater pollution if not properly managed. The CCB fee goes into the State Coal Combustion By-Products Management Fund, which is used to oversee the disposal, recycling, use, transport, and storage of CCBs. Currently, the fee is collected from active generators of CCBs. This has placed an unfair burden on those generators, who are paying not only for what they produce but also for the CCBs from former generators. As coal-fired power plants continue to shut



down, the costs still remain, which has led to the fee increasing from \$3.20/ton in 2016 to \$32.08/ton in 2022. With the last coal-fired power plant being slated to close later this year, there will be no generators that meet the threshold to pay the fee, reducing the program's funding to \$0. Shifting the fee to charge all former generators for their share in what the State is still managing will allow the program to sustainably continue and incentivize remediation of coal-ash landfills.

- *Fiscal Impact:* A total of \$1,009,503.15 was expended from the Fund in FY 2022 and that level of effort will continue for the foreseeable future. Without a new dedicated funding source, MDE will get \$0 revenue and that amount must be made up from General Funds as ceasing oversight is not an option.

- **Rental Property Lead Registration Fee**

- *Summary:* Increases the annual lead registration fee for rental properties from \$30 per unit to \$60 per unit. Provides that the payment of the fee is made every other year instead of annually (\$120 per unit payable every two years).
- *Rationale:* The registration renewal fee is the primary funding mechanism for MDE's Lead Poisoning Prevention Program (LPPP). The fee has not been adjusted in 10 years. During that same time, CDC has significantly lowered the elevated blood level for lead threshold resulting in increased caseloads and investigations. LPPP had a \$4.0 million revenue shortfall in FY 2023, promoting the need for general funds to cover costs. Caseloads at least doubled in 2020 and are set to increase again by potentially 3 to 4 times in 2024 with the latest CDC changes.
- *Fiscal Impact:* Changing the fee will yield an estimated \$2.8 million in additional annual revenue. Making the fee payable every two years will create administrative efficiencies for both MDE and registrants.

**MBIA Letter of Support HB245.pdf**

Uploaded by: Lori Graf

Position: FAV

March 26, 2024

The Honorable Brian Feldman  
Chairman, Senate Education, Energy, and the Environment Committee  
2 West Miller Senate Office Building  
Annapolis, Maryland 21401

**RE: MBIA Letter of Support HB245 Department of the Environment – Fees, Penalties,  
Funding and Regulation**

Dear Chairman Feldman,

The Maryland Building Industry Association, representing 100,000 employees of the building industry across the State of Maryland, supports **HB245 Department of the Environment – Fees, Penalties, Funding and Regulation**. We support the bill as it was passed by the House of Delegates.

This bill authorizes the Department of the Environment to charge fees for processing sewage disposal and well construction permits. It also establishes fees for certification programs, requires oil transfer license holders to pay fees upon initial transfer into the State, and creates the Private Dam Repair Fund. MBIA supports this measure with amendments. We understand and support the need for the Department to have more revenue that will create additional resources.

While we understand that most of the proposed fee adjustments are justified by inflation, MBIA is concerned that the onsite sewage permit fee does not have a cap on the cost. We support MDE's amendment that the Committee consider putting a cap on the maximum possible fee. We propose to cap the fee at \$575 plus a Consumer Price Index (CPI) adjustment

For more information about this position, please contact Lori Graf at 410-800-7327 or [lgraf@marylandbuilders.org](mailto:lgraf@marylandbuilders.org).

cc: Members of the Senate Education, Energy, and the Environment Committee

**HB 245 - CBF - FAV - EEE.pdf**

Uploaded by: Matt Stegman

Position: FAV



# CHESAPEAKE BAY FOUNDATION

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*Environmental Protection and Restoration  
Environmental Education*

## **House Bill 245**

Department of the Environment - Fees, Penalties, Funding, and Regulation

Date: March 26, 2024

To: Education, Energy & the Environment Committee

Position: **Favorable**

From: Matt Stegman

Maryland Staff Attorney

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Chesapeake Bay Foundation (CBF) **SUPPORTS** HB 245, which authorizes the Maryland Department of the Environment (MDE) to alter various fees for programs and services provided by the Department. As the State begins to weather a period of fiscal uncertainty, it is increasingly important that MDE's fees are evaluated in a way that is both environmentally and fiscally sustainable.

### **Well and Septic Permit Application Fees:**

Currently, most well and septic permitting is carried out by local health departments and county governments who charge a fee to process the permit. Their authority to do so is delegated from MDE. MDE does not have the same ability to charge for this service in instances where it may have had well and septic permitting restored. This enabling change will ensure there are sufficient resources available to run the permitting program, which helps ensure septic systems are not contributing to Bay pollution.

### **Responsible Personnel Training Program Certification:**

Construction activity continues to be a major contributor to nutrient loads in the Bay. This program ensures that larger construction projects have a responsible person on site to manage erosion, sediment, and runoff issues. Peer jurisdictions charge a fee for similar training programs.

### **Wetlands and Waterways Application Fees:**

Fees for wetlands and waterways applications were last meaningfully updated in 2012. These funds support the wetlands and waterways permit review process as well as general management, conservation, protections, and preservation of Maryland's waterways.

### **Air Emissions Permit Fees:**

MDE proposes to increase the Operating Permit Program fee for regulated air pollutant emissions from \$70 per ton to \$200 per ton. This increase is necessary to maintain the current level of service for the program, which plays a vital role in reducing air pollution in the State.

Maryland Office • Philip Merrill Environmental Center • 6 Herndon Avenue • Annapolis • Maryland • 21403

*The Chesapeake Bay Foundation (CBF) is a non-profit environmental education and advocacy organization dedicated to the restoration and protection of the Chesapeake Bay. With over 200,000 members and e-subscribers, including 71,000 in Maryland alone, CBF works to educate the public and to protect the interest of the Chesapeake and its resources.*

The complete package of fees included in this legislation is carefully curated and share a common theme of putting the burden of increased program costs on the users of the programs. This is a responsible approach that encourages greater compliance with State laws and regulations. This legislation is expected to produce a \$12.1 million total annual fiscal impact for MDE, allowing the agency to advance its responsibilities for environmental protection and enforcement.

**CBF urges the Committee's FAVORABLE report on HB 245.**

For more information, please contact Matt Stegman, Maryland Staff Attorney, at [mstegman@cbf.org](mailto:mstegman@cbf.org).

**GHHI Written Testimony - HB245 - Senate EEE.pdf**

Uploaded by: Wesley Stewart

Position: FAV



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March 25, 2024

Senator Brian J. Feldman, Chair  
Senate Education, Energy, and the Environment Committee  
2 West, Miller Senate Office Building  
Annapolis, Maryland 21401

Re: **FAVORABLE** – HB245 – Department of the Environment – Fees, Penalties, and Regulation

Dear Chairman Feldman and Members of the Committee:

On behalf of the Green & Healthy Homes Initiative (GHHI), I write in support of HB245. I serve as Chair of the Maryland Lead Poisoning Prevention Commission and as a member of the EPA Children's Health Protection Advisory Committee, the CDC Lead Exposure and Prevention Advisory Committee and the Maryland Green and Healthy Homes Task Force. GHHI is dedicated to addressing the social determinants of health and advancing racial and health equity through the creation of healthy, lead safe and energy efficient homes. GHHI has been at the frontline of lead poisoning prevention and holistic healthy housing for over three decades.

Over its 30-year history, GHHI has developed the holistic energy efficiency, health and housing service delivery model that is implemented in our nationally recognized, Maryland-based direct service program. The model was adopted by the U.S. Department of Housing and Urban Development and is currently being advanced in partner jurisdictions nationally. In addition, GHHI helped to elevate Maryland as a national leader in healthy housing by helping reduce childhood lead poisoning by 99% in the state and helping design over 49 pieces of healthy housing legislation that became law in the State of Maryland and local jurisdictions. By delivering a standard of excellence, GHHI aims to eradicate the negative health impacts of unhealthy housing and unjust policies to ensure better health, economic, and social outcomes for children, seniors and families with an emphasis on Black and Brown low-income communities. GHHI's holistic intervention approach was recently cited by EPA and HUD as a model for effective coordination of federal healthy homes and weatherization programs and resources.

We are deeply committed in our mission to advance racial and health equity, economic mobility and climate resiliency through healthy and energy efficient low-income homes. By increasing state resources for lead poisoning prevention programs and stronger MDE enforcement through HB245, resources can be targeted to improve compliance oversight, improve housing conditions, and reduce legacy pollution and lead poisoning in historically underserved and under-resourced communities in Maryland.



### Impact of Hazardous Housing in Maryland - Lead Poisoning

In 2021, there were 1,430 children with elevated blood levels (EBLs) of 5 µg/dl or higher in Maryland. Lead poisoning from primarily lead in paint, dust and contaminated soil contributes to significant learning disabilities, loss of IQ, speech development problems, attention deficit disorder, poor school performance and violent, aggressive behavior that heavily burdens low-income communities. Lead poisoning directly contributes to the cycle of learning disabilities, poor school performance, steep school dropout rates and juvenile delinquency that prevent low-income children in particular in Maryland from being able to thrive and which burdens the State through increased special education and criminal justice costs. Children poisoned by lead are 7 times more likely to drop out of school and 6 times more likely to be involved in the juvenile justice system.

In 2012, CDC determined that there was no safe level of lead in a child's body and lowered the blood lead reference level from 10 µg/dl to 5 µg/dl for children. Maryland lowered its blood lead reference level to 5 µg/dl to conform with the CDC. HB1233, the Maryland Healthy Children Act, was passed in 2019 and established that Maryland would align its blood lead standards with any revisions to the CDC's blood reference level within one year. On October 28, 2021, the CDC reviewed all the available blood lead data in the United States and the scientific research and lowered the blood lead reference level accordingly to 3.5 µg/dl. The State of Maryland adopted the 3.5 µg/dl blood lead reference level and lowered the blood lead level for case management in 2022 and lowered the blood lead action level for environmental investigation effective on January 1, 2024.

### Increased Funding for MDE Compliance Oversight and Enforcement Capacity

MDE must have the adequate inspection, administrative oversight and enforcement personnel to effectively implement the Maryland Reduction of Lead Risk in Housing Law and to respond to the environmental investigation and lead case management demands from the lowering fully of the blood lead action levels in Maryland to 3.5 µg/dl on January 1, 2024. Minority populations in Maryland are disproportionately impacted by the lead hazardous conditions that exist in their older communities and are most vulnerable to non-compliant homes where deferred maintenance and unsafe housing conditions have created toxic environments. Maryland must continue to remediate lead hazards in our holder housing stock and insure that rental property owners maintain safe, lead certified properties that prevent exposure to lead paint and dust. HB245 will increase funding for MDE staff that will help improve property registration and lead inspection certification compliance rates in the state and expand the staffing capacity to respond to homes where children with elevated blood lead levels have been identified. Additional MDE funding is necessary for ongoing lead safe work practices oversight of lead hazard reduction projects in affected rental properties under the Maryland lead law. While GHHI supports the substantial public and private investments in climate mitigation housing interventions, (greenhouse gas reduction), those weatherization and electrification interventions may also disturb lead-based paint in pre-1978 properties and MDE will play an important role in helping contractors and owners utilize lead safe work practices for such projects in the coming years. Increased revenue

for MDE is necessary to maintain existing staff, attract new staff and retain Lead Program staff in the coming years through the offering of competitive salaries and benefits.


Lead Poisoning Prevention Program Services

As part of the state’s lead poisoning prevention strategies and as mandated by the legislature, the Maryland Department of the Environment provided funding from 1997-2021 for tenant’s rights assistance, case management, legal services, rental property owner compliance assistance, tenants’ rights and rental property owner compliance trainings, and lead poisoning prevention outreach and education throughout the state. That MDE funding has ceased since July 1, 2021 despite the statutory requirement that at least \$750,000 in funding from the Maryland Lead Poisoning Prevention Fund is spent on lead prevention outreach and education programs and enforcement efforts.

Direct funding for in-home prevention services, training and outreach, interagency coordination, and public and private partnership engagement and coordination has been instrumental in helping the State of Maryland achieve its 99% reduction in childhood lead poisoning since 1993. To maintain that progress and achieve the state’s goal of the elimination of lead poisoning, funding must be restored for these critical prevention services that complement and supplement MDE’s existing staffing resources. Rental property owner registration fees are an important, sustainable source of funding support through the Maryland Lead Poisoning Prevention Fund at MDE for the direct prevention services that are needed for tenants, parents and rental property owners statewide and in our most at-risk communities.

HB245 will generate important funding to meet the staffing capacity needs of the Maryland Lead Poisoning Prevention Program at MDE, improve rental property owner compliance rates, and support the restoration of vital lead poisoning prevention direct services that are needed in Maryland. We ask for a Favorable Report on HB245.

Respectfully Submitted,



Ruth Ann Norton  
President and CEO

# **HB 245 Opposition Testimony Holcim.pdf**

Uploaded by: Michael Sakata

Position: UNF

March 26, 2024

Senator Brian Feldman, Chair  
Senator Cheryl C. Kagan, Vice Chair  
Senate Education, Energy, and the Environment Committee  
11 Bladen St., Annapolis, Maryland

**HB 245 – UNFAVORABLE – Department of the Environment – Fees, Penalties, Funding, and Regulation**

Dear Chair Feldman, Vice Chair Kagan, and Members of the Committee:

Please accept this testimony as our formal opposition to **House Bill 245 – Department of the Environment – Fees, Penalties, Funding and Regulation.**

Holcim-MAR, Inc., aka Aggregate Industries/Bardon, Inc. has been operating for over 84 years. We operate in Montgomery County, Baltimore County, Prince George's County, and Charles County. We proudly employ over 650 individuals across the state, and have 2,155 acres permitted.

House Bill 245 increases permitting fees within the surface mining program in the Department of the Environment (MDE). While I recognize that these fees have remained untouched for years, sometimes decades, I am extremely concerned by the rates of these increases, at over 10 times the current cost. This is simply unsustainable to my business and not something I can absorb.

Currently, the surface mining program sets a \$1,000 cap annually on permits. The amended bill would raise that cap to \$10,000 in Fiscal Year 25 up to \$12,000 by Fiscal Year 29. **This is a 1,100 percent increase and it will cost our industry an additional \$1 Million annually!!**

These permit fees will be the highest in our region by far. Compared to states like Virginia, where the fee is \$24 per disturbed acre with an annual license fee of \$330, Maryland's approach will significantly increase operational costs for larger projects. This discrepancy will make Maryland less competitive in attracting large-scale developments or operations. Maryland's fee structure adds a layer of complexity and unpredictability, with fees increasing annually. By contrast, West Virginia offer a straightforward \$500 renewal fee for a five-year period, providing businesses with cost stability and predictability. Maryland's proposed fee structure stands out as potentially the most burdensome. Pennsylvania's model, based on permit type and activities (like blasting), allows for a more nuanced approach that could be seen as more favorable for specific operations.

It's important to note that the Maryland Code itself states that the General Assembly declares that the extraction of minerals by mining is a basic and essential activity making an important contribution to the economic well-being of the State and the Nation. Making surface mine permit holders pay these significantly increased fees annually jeopardizes the mining of Maryland's recognized assets. Moreover, many mines here in Maryland are not actively being mined. Often,

operators like myself, maintain our permits because to do otherwise would involve a lengthy re-approval process both with the local zoning department and MDE.

**Given this, our industry strongly recommends creating a workgroup over the interim to review the surface mining program to assess how the program should be appropriately assessed and what the proper fee structure should look like.**

We appreciate you taking the time to consider our request, and for the reasons stated above, we respectfully request an **UNFAVORABLE** report on House Bill 245.

Thank you,

Corey Johnson  
Vice President/General Manager  
Holcim-MAR, Inc., aka Aggregate Industries/Bardon, Inc.

# **HB 245 Opposition Testimony Laurel Sand + Gravel.p**

Uploaded by: Michael Sakata

Position: UNF

March 26, 2024

Senator Brian Feldman, Chair  
Senator Cheryl C. Kagan, Vice Chair  
Senate Education, Energy, and the Environment Committee  
11 Bladen St., Annapolis, Maryland

**HB 245 – UNFAVORABLE – Department of the Environment – Fees, Penalties, Funding, and Regulation**

Dear Chair Feldman, Vice Chair Kagan, and Members of the Committee:

Please accept this testimony as our formal opposition to **House Bill 245 – Department of the Environment – Fees, Penalties, Funding and Regulation.**

Laurel Sand & Gravel, Inc. operates in Prince George's County, Washington County, and Frederick County. We have been in operation for 42 years, proudly employing 134 individuals across the state. Laurel Sand & Gravel operates on 1910 acres of land.

House Bill 245 increases permitting fees within the surface mining program in the Department of the Environment (MDE). While I recognize that these fees have remained untouched for years, sometimes decades, I am extremely concerned by the rates of these increases, at over 10 times the current cost. This is simply unsustainable to my business and not something I can absorb.

Currently, the surface mining program sets a \$1,000 cap annually on permits. The amended bill would raise that cap to \$10,000 in Fiscal Year 25 up to \$12,000 by Fiscal Year 29. **This is a 1,100 percent increase and it will cost our industry an additional \$1 million annually!!**

These permit fees will be the highest in our region by far. Compared to states like Virginia, where the fee is \$24 per disturbed acre with an annual license fee of \$330, Maryland's approach will significantly increase operational costs for larger projects. This discrepancy will make Maryland less competitive in attracting large-scale developments or operations. Maryland's fee structure adds a layer of complexity and unpredictability, with fees increasing annually. By contrast, West Virginia offer a straightforward \$500 renewal fee for a five-year period, providing businesses with cost stability and predictability. Maryland's proposed fee structure stands out as potentially the most burdensome. Pennsylvania's model, based on permit type and activities (like blasting), allows for a more nuanced approach that could be seen as more favorable for specific operations.

It's important to note that the Maryland Code itself states that the General Assembly declares that the extraction of minerals by mining is a basic and essential activity making an important contribution to the economic well-being of the State and the Nation. Making surface mine permit holders pay these significantly increased fees annually jeopardizes the mining of Maryland's recognized assets. Moreover, many mines here in Maryland are not actively being mined. Often,

operators like myself, maintain our permits because to do otherwise would involve a lengthy re-approval process both with the local zoning department and MDE.

**Given this, our industry strongly recommends creating a workgroup over the interim to review the surface mining program to assess how the program should be appropriately assessed and what the proper fee structure should look like.**

We appreciate you taking the time to consider our request, and for the reasons stated above, we respectfully request an **UNFAVORABLE** report on House Bill 245.

Thank you,

Ed Barnhouser  
Laurel Sand & Gravel, Inc.



# **HB 245 Opposition Testimony Machado.pdf**

Uploaded by: Michael Sakata

Position: UNF

March 26, 2024

Senator Brian Feldman, Chair  
Senator Cheryl C. Kagan, Vice Chair  
Senate Education, Energy, and the Environment Committee  
11 Bladen St., Annapolis, Maryland

**HB 245 – UNFAVORABLE – Department of the Environment – Fees, Penalties, Funding, and Regulation**

Dear Chair Feldman, Vice Chair Kagan, and Members of the Committee:

Please accept this testimony as our formal opposition to **House Bill 245 – Department of the Environment – Fees, Penalties, Funding and Regulation.**

Machado Construction Co. Inc. is situated in Baltimore County and has been operating for 39 years. We proudly employ 65 individuals across the State. Currently, we operate on 13 acres of land.

House Bill 245 increases permitting fees within the surface mining program in the Department of the Environment (MDE). While I recognize that these fees have remained untouched for years, sometimes decades, I am extremely concerned by the rates of these increases, at over 10 times the current cost. This is simply unsustainable to my business and not something I can absorb.

Currently, the surface mining program sets a \$1,000 cap annually on permits. The amended bill would raise that cap to \$10,000 in Fiscal Year 25 up to \$12,000 by Fiscal Year 29. **This is a 1,100 percent increase and it will cost our industry an additional \$1 million annually!!**

These permit fees will be the highest in our region by far. Compared to states like Virginia, where the fee is \$24 per disturbed acre with an annual license fee of \$330, Maryland's approach will significantly increase operational costs for larger projects. This discrepancy will make Maryland less competitive in attracting large-scale developments or operations. Maryland's fee structure adds a layer of complexity and unpredictability, with fees increasing annually. By contrast, West Virginia offer a straightforward \$500 renewal fee for a five-year period, providing businesses with cost stability and predictability. Maryland's proposed fee structure stands out as potentially the most burdensome. Pennsylvania's model, based on permit type and activities (like blasting), allows for a more nuanced approach that could be seen as more favorable for specific operations.

It's important to note that the Maryland Code itself states that the General Assembly declares that the extraction of minerals by mining is a basic and essential activity making an important contribution to the economic well-being of the State and the Nation. Making surface mine permit holders pay these significantly increased fees annually jeopardizes the mining of Maryland's recognized assets. Moreover, many mines here in Maryland are not actively being mined. Often,

operators like myself, maintain our permits because to do otherwise would involve a lengthy re-approval process both with the local zoning department and MDE.

**Given this, our industry strongly recommends creating a workgroup over the interim to review the surface mining program to assess how the program should be appropriately assessed and what the proper fee structure should look like.**

We appreciate you taking the time to consider our request, and for the reasons stated above, we respectfully request an **UNFAVORABLE** report on House Bill 245.

Thank you,

Bruce Bergeron  
VP of Construction  
Machado Construction Co., Inc.

# **HB 245 Opposition Testimony Pleasants Companies.pd**

Uploaded by: Michael Sakata

Position: UNF

March 26, 2024

Senator Brian Feldman, Chair  
Senator Cheryl C. Kagan, Vice Chair  
Senate Education, Energy, and the Environment Committee  
11 Bladen St., Annapolis, Maryland

**HB 245 – UNFAVORABLE – Department of the Environment – Fees, Penalties, Funding, and Regulation**

Dear Chair Feldman, Vice Chair Kagan, and Members of the Committee:

Please accept this testimony as our formal opposition to **House Bill 245 – Department of the Environment – Fees, Penalties, Funding and Regulation.**

Pleasants Companies, LLC and affiliated companies engages in mining, construction, development, asphalt production and waste management operations throughout the State of Maryland. We have been in business for over 50 years and currently operate on over 500 acres of land. Pleasants' operations proudly employ more than 700 employees throughout central Maryland. We provide long-term, stable employment opportunities.

House Bill 245 increases permitting fees within the surface mining program in the Department of the Environment (MDE). While I recognize that these permit fees have not increased in some time, I am extremely concerned by the rates of these increases - more than 10 times the current fee. This is simply unsustainable to our businesses and not something we can or should absorb.

Currently, the annual permit fee for the surface mining program is capped at \$1,000. The amended bill raises that cap to \$10,000 in Fiscal Year 25 (just a few months from now) and further increases the fee to \$12,000 by Fiscal Year 29. **This is a 1,100 percent increase and it will cost our industry over \$1 Million annually!!**

These permit fees will be the highest in our region by far. Compared to states like Virginia, where the fee is \$24 per disturbed acre with an annual license fee of \$330, Maryland's approach will significantly increase operational costs for larger projects. This discrepancy will make Maryland less competitive in attracting large-scale developments or operations. Maryland's fee structure adds a layer of complexity and unpredictability, with fees increasing annually. By contrast, West Virginia offers a straightforward \$500 renewal fee for a five-year period, providing businesses with cost stability and predictability. Maryland's proposed fee structure stands out as potentially the most burdensome. Pennsylvania's model, based on permit type and activities (like blasting), allows for a more nuanced approach that could be seen as more favorable for specific operations.


It is important to note that when enacting § 15-802 of the Environment Article, the Maryland General Assembly declared that the extraction of minerals by mining is a basic and essential activity, making an important contribution to the economic well-being of the State and the Nation. Making surface mine permit holders pay these significantly increased fees annually jeopardizes

the mining of Maryland's recognized assets. The fee increases will jeopardize Maryland mining operations and require importation of these resources from other states at significantly higher costs, including transportation, for all kinds of construction projects as well as concrete and asphalt plants. Moreover, many mine operations in Maryland are intentionally less active so that operators can continue to supply local needs over longer periods of time. They must maintain these permits because to do otherwise would involve lengthy re-approval processes both with the local zoning authorities and MDE.

**Given this, our industry strongly recommends creating a workgroup over the interim to review the surface mining program to appropriately assess the program's status and needs to recommend a more appropriate and manageable fee structure.**

We appreciate you taking the time to consider our input and request. Pleasants Companies respectfully requests an **UNFAVORABLE** report on House Bill 245.

Thank you,



William D. Pleasants, Jr.  
President  
Pleasants Companies LLC

# **HB 245 Opposition Testimony ReAgg.pdf**

Uploaded by: Michael Sakata

Position: UNF

March 26, 2024

Senator Brian Feldman, Chair  
Senator Cheryl C. Kagan, Vice Chair  
Senate Education, Energy, and the Environment Committee  
11 Bladen St., Annapolis, Maryland

**HB 245 – UNFAVORABLE – Department of the Environment – Fees, Penalties, Funding, and Regulation**

Dear Chair Feldman, Vice Chair Kagan, and Members of the Committee:

Please accept this testimony as our formal opposition to **House Bill 245 – Department of the Environment – Fees, Penalties, Funding and Regulation.**

Recycled Aggregates, LLC, or “ReAgg” is a Prince George’s County business in Temple Hills, Maryland. Established in the 1960s, we have been operating for several decades. We proudly employ over 70 individuals, and our plant spans over 50 acres. We have more than one dam, with an air, water, & mining permit. *A fee increase proposed in all these categories simply cannot be absorbed internally and will result in passing costs along to the clients.*

House Bill 245 increases permitting fees within the surface mining program in the Department of the Environment (MDE). While I recognize that these fees have remained untouched for years, sometimes decades, I am extremely concerned by the rates of these increases, at over 10 times the current cost. This is simply unsustainable to my business and not something I can absorb.

Currently, the surface mining program sets a \$1,000 cap annually on permits. The amended bill would raise that cap to \$10,000 in Fiscal Year 25 up to \$12,000 by Fiscal Year 29. **This is a 1,100 percent increase and it will cost our industry an additional \$1 Million annually!!**

These permit fees will be the highest in our region by far. Compared to states like Virginia, where the fee is \$24 per disturbed acre with an annual license fee of \$330, Maryland's approach will significantly increase operational costs for larger projects. This discrepancy will make Maryland less competitive in attracting large-scale developments or operations. Maryland's fee structure adds a layer of complexity and unpredictability, with fees increasing annually. By contrast, West Virginia offer a straightforward \$500 renewal fee for a five-year period, providing businesses with cost stability and predictability. Maryland's proposed fee structure stands out as potentially the most burdensome. Pennsylvania's model, based on permit type and activities (like blasting), allows for a more nuanced approach that could be seen as more favorable for specific operations.

It’s important to note that the Maryland Code itself states that the General Assembly declares that the extraction of minerals by mining is a basic and essential activity making an important contribution to the economic well-being of the State and the Nation. Making surface mine permit holders pay these significantly increased fees annually jeopardizes the mining of Maryland’s



recognized assets. Moreover, many mines here in Maryland are not actively being mined. Often, operators like myself, maintain our permits because to do otherwise would involve a lengthy re-approval process both with the local zoning department and MDE.

**Given this, our industry strongly recommends creating a workgroup over the interim to review the surface mining program to assess how the program should be appropriately assessed and what the proper fee structure should look like.**

We appreciate you taking the time to consider our request, and for the reasons stated above, we respectfully request an **UNFAVORABLE** report on House Bill 245.

Thank you,

David Cantwell  
Business Manager  
Recycled Aggregates, LLC (ReAgg)

# **HB 245 Opposition Testimony Savage Stone.pdf**

Uploaded by: Michael Sakata

Position: UNF

March 26, 2024

Senator Brian Feldman, Chair  
Senator Cheryl C. Kagan, Vice Chair  
Senate Education, Energy, and the Environment Committee  
11 Bladen St., Annapolis, Maryland

**HB 245 – UNFAVORABLE – Department of the Environment – Fees, Penalties, Funding, and Regulation**

Dear Chair Feldman, Vice Chair Kagan, and Members of the Committee:

Please accept this testimony as our formal opposition to **House Bill 245 – Department of the Environment – Fees, Penalties, Funding and Regulation.**

Savage Stone LLC, situated in Howard County, has been operating for 20 years. We proudly employ 50 individuals across the state. Currently, we operate on 301 acres of land.

House Bill 245 increases permitting fees within the surface mining program in the Department of the Environment (MDE). While I recognize that these fees have remained untouched for years, sometimes decades, I am extremely concerned by the rates of these increases, at over 10 times the current cost. This is simply unsustainable to my business and not something I can absorb.

Currently, the surface mining program sets a \$1,000 cap annually on permits. The amended bill would raise that cap to \$10,000 in Fiscal Year 25 up to \$12,000 by Fiscal Year 29. **This is a 1,100 percent increase and it will cost our industry an additional \$1 million annually!!**

These permit fees will be the highest in our region by far. Compared to states like Virginia, where the fee is \$24 per disturbed acre with an annual license fee of \$330, Maryland's approach will significantly increase operational costs for larger projects. This discrepancy will make Maryland less competitive in attracting large-scale developments or operations. Maryland's fee structure adds a layer of complexity and unpredictability, with fees increasing annually. By contrast, West Virginia offer a straightforward \$500 renewal fee for a five-year period, providing businesses with cost stability and predictability. Maryland's proposed fee structure stands out as potentially the most burdensome. Pennsylvania's model, based on permit type and activities (like blasting), allows for a more nuanced approach that could be seen as more favorable for specific operations.

It's important to note that the Maryland Code itself states that the General Assembly declares that the extraction of minerals by mining is a basic and essential activity making an important contribution to the economic well-being of the State and the Nation. Making surface mine permit holders pay these significantly increased fees annually jeopardizes the mining of Maryland's recognized assets. Moreover, many mines here in Maryland are not actively being mined. Often, operators like myself, maintain our permits because to do otherwise would involve a lengthy re-approval process both with the local zoning department and MDE.

**Given this, our industry strongly recommends creating a workgroup over the interim to review the surface mining program to assess how the program should be appropriately assessed and what the proper fee structure should look like.**

We appreciate you taking the time to consider our request, and for the reasons stated above, we respectfully request an **UNFAVORABLE** report on House Bill 245.

Thank you,

Ed Barnhouser  
Savage Stone, LLC

# **HB 245 Opposition Testimony York Building Products**

Uploaded by: Michael Sakata

Position: UNF

March 26, 2024

Senator Brian Feldman, Chair  
Senator Cheryl C. Kagan, Vice Chair  
Senate Education, Energy, and the Environment Committee  
11 Bladen St., Annapolis, Maryland

**HB 245 – UNFAVORABLE – Department of the Environment – Fees, Penalties, Funding, and Regulation**

Dear Chair Feldman, Vice Chair Kagan, and Members of the Committee:

Please accept this testimony as our formal opposition to **House Bill 245 – Department of the Environment – Fees, Penalties, Funding and Regulation.**

York Building Products Co., Inc., situated in Cecil County & Queen Anne's County, started mining sand & gravel in 1960. We proudly employ over 100 individuals across the state, and we have over 2,000 acres permitted.

House Bill 245 increases permitting fees within the surface mining program in the Department of the Environment (MDE). While I recognize that these fees have remained untouched for years, sometimes decades, I am extremely concerned by the rates of these increases, at over 10 times the current cost. This is simply unsustainable to my business and not something I can absorb.

Currently, the surface mining program sets a \$1,000 cap annually on permits. The amended bill would raise that cap to \$10,000 in Fiscal Year 25 up to \$12,000 by Fiscal Year 29. **This is a 1,100 percent increase and it will cost our industry an additional \$1 Million annually!!**

These permit fees will be the highest in our region by far. Compared to states like Virginia, where the fee is \$24 per disturbed acre with an annual license fee of \$330, Maryland's approach will significantly increase operational costs for larger projects. This discrepancy will make Maryland less competitive in attracting large-scale developments or operations. Maryland's fee structure adds a layer of complexity and unpredictability, with fees increasing annually. By contrast, West Virginia offer a straightforward \$500 renewal fee for a five-year period, providing businesses with cost stability and predictability. Maryland's proposed fee structure stands out as potentially the most burdensome. Pennsylvania's model, based on permit type and activities (like blasting), allows for a more nuanced approach that could be seen as more favorable for specific operations.

It's important to note that the Maryland Code itself states that the General Assembly declares that the extraction of minerals by mining is a basic and essential activity making an important contribution to the economic well-being of the State and the Nation. Making surface mine permit holders pay these significantly increased fees annually jeopardizes the mining of Maryland's recognized assets. Moreover, many mines here in Maryland are not actively being mined. Often,

operators like myself, maintain our permits because to do otherwise would involve a lengthy re-approval process both with the local zoning department and MDE.

**Given this, our industry strongly recommends creating a workgroup over the interim to review the surface mining program to assess how the program should be appropriately assessed and what the proper fee structure should look like.**

We appreciate you taking the time to consider our request, and for the reasons stated above, we respectfully request an **UNFAVORABLE** report on House Bill 245.

Thank you,

James Gawthrop  
Vice President-Engineering  
York Building Products Co., Inc.

# **HB 245 Opposition Testimony\_CE.pdf**

Uploaded by: Michael Sakata

Position: UNF



March 26, 2024

Senator Brian Feldman, Chair  
Senator Cheryl C. Kagan, Vice Chair  
Senate Education, Energy, and the Environment Committee  
11 Bladen St., Annapolis, Maryland

**HB 245 – UNFAVORABLE – Department of the Environment – Fees, Penalties, Funding, and Regulation**

Dear Chair Feldman, Vice Chair Kagan, and Members of the Committee:

Please accept this testimony as our formal opposition to **House Bill 245 – Department of the Environment – Fees, Penalties, Funding and Regulation.**

Our business Chaney Enterprises, headquartered in Anne Arundel County within the city of Gambrills, Maryland, has been operating for 62 years. We proudly employ 313 individuals in 13 different counties across the state. Currently, we operate on 2,710 acres of land.

House Bill 245 increases permitting fees within the surface mining program in the Department of the Environment (MDE). While I recognize that these fees have remained untouched for years, sometimes decades, I am extremely concerned by the rates of these increases, at over 10 times the current cost. This is simply unsustainable to my business and not something I can absorb.

Currently, the surface mining program sets a \$1,000 cap annually on permits. The amended bill would raise that cap to \$10,000 in Fiscal Year 25 up to \$12,000 by Fiscal Year 29. **This is a 1,100 percent increase and it will cost our industry an additional \$1 Million annually!!**

These fees will be the highest in our region by far. Compared to states like Virginia, where the fee is \$24 per disturbed acre with an annual license fee of \$330, Maryland's approach will significantly increase operational costs for larger projects. This discrepancy will make Maryland less competitive in attracting large-scale developments or operations. Maryland's fee structure adds a layer of complexity and unpredictability, with fees increasing annually. By contrast, West Virginia offer a straightforward \$500 renewal fee for a five-year period, providing businesses with cost stability and predictability. Maryland's proposed fee structure stands out as potentially the most burdensome. Pennsylvania's model, based on permit type and activities (like blasting), allows for a more nuanced approach that could be seen as more favorable for specific operations.

It's important to note that the Maryland Code itself states that the General Assembly declares that the extraction of minerals by mining is a basic and essential activity making an important contribution to the economic well-being of the State and the Nation. Making surface mine permit holders pay these significantly increased fees annually jeopardizes the mining of Maryland's recognized assets. Moreover, many mines here in Maryland are not actively being mined. Often,

operators like myself, maintain our permits because to do otherwise would involve a lengthy re-approval process both with the local zoning department and MDE.

**Given this, our industry strongly recommends creating a workgroup over the interim to review the surface mining program to assess how the program should be appropriately assessed and what the proper fee structure should look like.**

We appreciate you taking the time to consider our request, and for the reasons stated above, we respectfully request an **UNFAVORABLE** report on House Bill 245.

Thank you,

A handwritten signature in blue ink, appearing to read 'Kyle Murray', with a long horizontal stroke extending to the right.

Kyle Murray  
Director of Land  
Chaney Enterprises

**HB 245\_MTBMA\_UNF.pdf**

Uploaded by: Michael Sakata

Position: UNF



March 26, 2024

Senator Brian Feldman, Chair  
Senate Education, Energy, and the Environment Committee  
2 West, Miller Senate Office Building  
Annapolis, MD 21401

**RE: HB 245 – UNFAVORABLE – Department of the Environment – Fees, Penalties, Funding, and Regulation**

Dear Chair Feldman, Vice Chair Kagan, and Members of the Committee:

Please accept this testimony as our formal opposition to **House Bill 245 – Department of the Environment – Fees, Penalties, Funding and Regulation.**

The Maryland Transportation Builders and Materials Association (“MTBMA”) has been and continues to serve as the voice for Maryland’s construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland’s multimodal transportation system.

House Bill 245 increases permitting fees within the surface mining program in the Department of the Environment (MDE). While we recognize that these fees have remained untouched for years, sometimes decades, our association is extremely concerned by the rates of these increases, at over 10 times the current cost. This is simply unsustainable to our members’ businesses and not something they can absorb.

Currently, the surface mining program sets a \$1,000 cap annually on permits. The amended bill would raise that cap to \$10,000 in Fiscal Year 25 up to \$12,000 by Fiscal Year 29. **This is a 1,100 percent increase and it will cost our industry an additional \$1 Million annually!!**

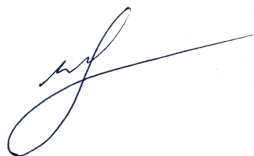
These fees will be the highest in our region by far. Compared to states like Virginia, where the fee is \$24 per disturbed acre with an annual license fee of \$330, Maryland's approach will significantly increase operational costs for larger projects. This discrepancy will make Maryland less competitive in attracting large-scale developments or operations. Maryland's fee structure adds a layer of complexity and unpredictability, with fees increasing annually. By contrast, West Virginia offer a straightforward \$500 renewal fee for a five-year period, providing businesses with cost stability and predictability. Maryland's proposed fee structure stands out as potentially the most burdensome. Pennsylvania's model, based on permit type and activities (like blasting), allows for a more nuanced approach that could be seen as more favorable for specific operations.

It's important to note that the Maryland Code itself states that the General Assembly declares that the extraction of minerals by mining is a basic and essential activity making an important contribution to the economic well-being of the State and the Nation. Making surface mine permit holders pay these significantly increased fees annually jeopardizes the mining of Maryland's recognized assets. Moreover, many mines here in Maryland are not actively being mined. Often, operators like myself, maintain our permits because to do otherwise would involve a lengthy re-approval process both with the local zoning department and MDE.

**Given this, our industry strongly recommends creating a workgroup over the interim to review the surface mining program to assess how the program should be appropriately assessed and what the proper fee structure should look like.**

We appreciate you taking the time to consider our request, and for the reasons stated above, we respectfully request an **UNFAVORABLE** report on House Bill 245.

Thank you,

A handwritten signature in black ink, appearing to read 'Michael Sakata', with a long horizontal flourish extending to the right.

Michael Sakata  
President and CEO  
Maryland Transportation Builders and Materials Association

## **Surface Mining – By State**

### **Maryland Currently**

- \$12 per acre and \$1,000 cap

### **Maryland (Proposed)**

- \$75 per acre and \$10,000 cap in FY 25, raising by \$500 annually until FY 29 at \$12,000

### **Pennsylvania**

- Annual fees only
  - o Active Large permit- \$1,750
  - o Active Large permit with blasting- \$2,250
  - o Active Small permit- \$500
  - o Active Small permit with blasting- \$700
  - o Inactive permit- \$175

### **Virginia**

- \$24 per disturbed acre only
- \$330 annual license fee

### **West Virginia**

- \$500 renewal fee which is good for 5 years

### **North Carolina**

- Annual operating fee- \$400
- Up to 25 acres
  - o New permits- \$3,750
  - o Permit modifications- \$750
  - o Permit Transfers- \$100
- 26+ acres
  - o New permits- \$5,000
  - o Permit modifications- \$1,000
  - o Permit Transfers- \$100

### **New York**

- Annual fee based on acreage size
  - o Up to 5 acres- \$700
  - o 5 to 10 acres- \$900
  - o 10-20 acres- \$1,500
  - o 20-30 acres- \$4,000
  - o Greater than 30 acres- \$8,000

# **HB 245\_Vulcan Testimony.pdf**

Uploaded by: Michael Sakata

Position: UNF



3/26/24

Written Testimony for HB 245

Thank you for the opportunity to share our thoughts on HB 245. My name is Glenn Cobb. I am the manager of Government and Community Relations for Vulcan Materials Company. We are pleased to be a proud partner of the transportation and construction industries in Maryland for over 30 years. We appreciate the opportunity to share our concerns with portions of HB 245.

We understand the background leading to the Department of Energy looking to propose HB 245 and, in general, agree that adequate fees to cover permit applications and renewals are a reasonable approach. Permitting programs are often expected to cover their administrative costs through fees. We also understand that modest fee increases from time to time will be necessary to cover increasing costs of the programs. However, the excessive increase in fees as proposed, does cause us concern.

This bill would propose to raise fees on mining operations' annual permit renewals and permit modifications dramatically, over 1000%. While we agree that fees probably should be increased, this type of sudden, dramatic increase is not reasonable. Charging a per acre fee for a quarry does not make sense. Unlike sand and gravel operations that add and remove portions of their operation from the active permit, quarries obtain permits for hundreds of acres at a time. Even though mining may only occur on a very small portion of the footprint for many years, all of the acreage remains permitted and bonded for the life of the quarry and the fees are still levied on the entire permitted site. In our case, that is over 20,000 acres throughout our footprint in the state of Maryland. In this period of dramatic price increases, salary increases and supply cost increases, as well as a myriad of other fee increases in the state of Maryland being proposed this year alone, this increase is just too much at one time. All of these increases in cost greatly impact the cost per ton of the aggregate we produce which raises the cost of paving, infrastructure development, housing and most everything else in the built environment. We respectfully request that you eliminate sections 15-815 and 15-816 from HB 245 and let our industry work together with DOE to come up with a more thoughtful and sustainable approach to permitting fees in our industry. We have always worked very well with the DMME and see no reason we could not do so on this matter. Thank you for your consideration of our request.

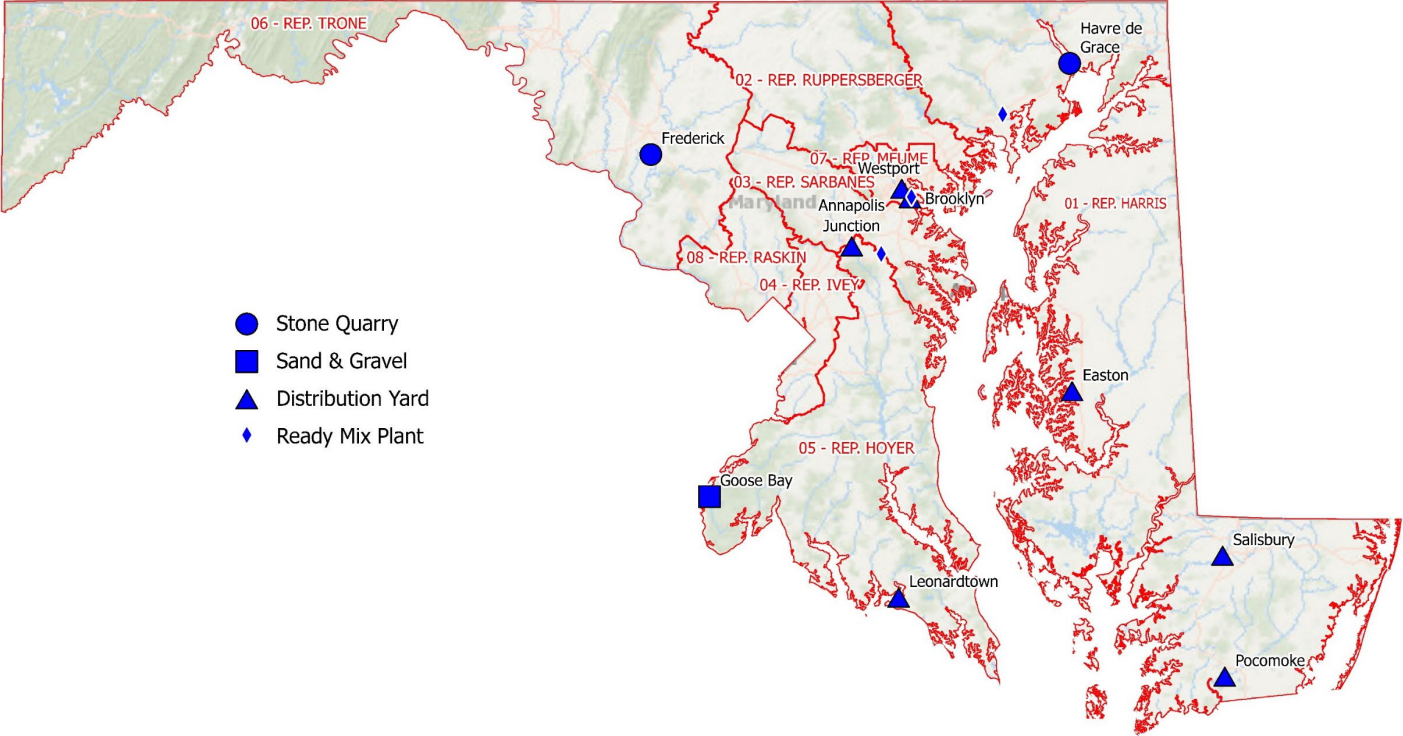
Regards,





Glenn Cobb, Manager

Government and Community Relations



# MARYLAND



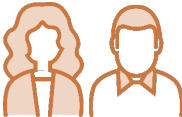
-  Stone Quarry
-  Sand & Gravel
-  Distribution Yard
-  Ready Mix Plant



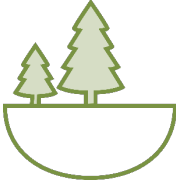
**14**  
Aggregates Production & Distribution Facilities



**4**  
Ready Mixed Concrete Facilities



**219**  
Employees



**1**  
Wildlife Habitat Council Certified Sites



**\$128M**  
Economic Impact

**Population living near a Vulcan operation**

**51%**  
10 Miles

**75%**  
<50 Miles

All data and metrics are as of year-end 2022

**HB 245\_MAA\_UNF.pdf**

Uploaded by: Tim Smith

Position: UNF

CHAIRMAN:  
Jeff Graf  
VICE CHAIRMAN  
David Slaughter



TREASURER:  
Paul Bramble  
SECRETARY:  
Curtis Hall  
PRESIDENT:  
Tim Smith

March 26, 2024

Senator Brian Feldman, Chair  
Senate Education, Energy, and the Environment Committee  
2 West, Miller Senate Office Building  
Annapolis, MD 21401

**RE: HB 245 – UNFAVORABLE – Department of the Environment – Fees, Penalties, Funding, and Regulation**

Dear Chair Feldman, Vice Chair Kagan, and Members of the Committee:

Please accept this testimony as our formal opposition to **House Bill 245 – Department of the Environment – Fees, Penalties, Funding and Regulation.**

The Maryland Asphalt Association (MAA) is comprised of 19 producer members representing more than 48 production facilities, 25 contractor members, 25 consulting engineer firms, and 41 other associate members. MAA works proactively with regulatory agencies to represent the interests of the asphalt industry both in the writing and interpretation of state and federal regulations that may affect our members. We also advocate for adequate state and federal funding for Maryland's multimodal transportation system.

House Bill 245 increases permitting fees within the surface mining program in the Department of the Environment (MDE). While we recognize that these fees have remained untouched for years, our association is extremely concerned by the rates of these increases, at over 10 times the current cost. This is simply unsustainable to our members' businesses and not something they can absorb.

Currently, the surface mining program sets a \$1,000 cap annually on permits. The amended bill would raise that cap to \$10,000 in Fiscal Year 25 up to \$12,000 by Fiscal Year 29. **This is a 1,100 percent increase and it will cost our industry an additional \$1 Million annually!!**

These fees will be the highest in our region by far. Compared to states like Virginia, where the fee is \$24 per disturbed acre with an annual license fee of \$330, Maryland's approach will significantly increase operational costs for larger projects. This discrepancy will make Maryland less competitive in attracting large-scale developments or operations. Maryland's fee structure adds a layer of complexity and unpredictability, with fees increasing annually. By contrast, West Virginia offers a straightforward \$500 renewal fee for a five-year period, providing businesses with cost stability and predictability. Maryland's proposed fee structure stands out as potentially the most burdensome. Pennsylvania's model, based on permit type and activities (like blasting), allows for a more nuanced approach that could be seen as more favorable for specific operations.

CHAIRMAN:  
Jeff Graf  
VICE CHAIRMAN  
David Slaughter

**MARYLAND ASPHALT ASSOCIATION**



TREASURER:  
Paul Bramble  
SECRETARY:  
Curtis Hall  
PRESIDENT:  
Tim Smith

It's important to note that the Maryland Code itself states that the General Assembly declares that the extraction of minerals by mining is a basic and essential activity making an important contribution to the economic well-being of the State and the Nation. Making surface mine permit holders pay these significantly increased fees annually jeopardizes the mining of Maryland's recognized assets. Moreover, many mines here in Maryland are not actively being mined. Often, our members maintain our permits because to do otherwise would involve a lengthy re-approval process both with the local zoning department and MDE.

This bill as written will directly impact the costs of obtaining the raw source materials for transportation and building structure projects. Those impacts will be directly felt in the increased costs of all transportation projects. At a time when the Transportation Trust Fund already has a known \$3+B deficit that is growing, this will have a tremendous negative impact on Maryland based businesses.

**Given this, our industry strongly recommends creating a workgroup over the interim to review the surface mining program to assess how the program should be appropriately assessed and what the proper fee structure should look like.**

We appreciate you taking the time to consider our request, and for the reasons stated above, we respectfully request an **UNFAVORABLE** report on House Bill 245.

Sincerely,

Tim Smith P.E.  
President  
Maryland Asphalt Association