

# **HB\_245\_Testimony\_MDEM**

Uploaded by: Anna Sierra

Position: FAV



**FAVORABLE - HB245**  
**Department of Environment - Fees, Penalties, Funding, and Regulation**

Maryland Department of Emergency Management  
Environment and Transportation  
Hearing Date: 31 JAN 2024

Chairman Marc Korman  
Environment and Transportation Committee  
Room 251  
House Office Building  
Annapolis, MD 21401

Chairman Korman,

The Maryland Department of Emergency Management (MDEM) writes **in support of HB245 - Department of Environment - Fees, Penalties, Funding, and Regulation.**

The bill establishes a private dam repair fund and loan program to provide a dedicated funding source for owners of private dams classified as high or significant hazard dams determined to be unsafe by the Department.

MDEM and MDE work closely on dam safety and risk mitigation at the State level, and we strongly support MDE's strategy for creating a mechanism that will support high and significant dam hazard risk mitigation. The fees assessed and creation of the dedicated Private Dam Repair Fund and Loan Program will ensure a source of financial assistance for dams posing risk to life safety and property across the State. It will align with identified mitigation strategies to prioritize high hazard potential dams and provide owners assistance for dam repairs outlined in the MDE and MDEM 2020 Hazard Mitigation Plan for Dams (Appendix C of the 2021 [Maryland Hazard Mitigation Plan](#), p. 12).

Dams are an identified hazard in the Maryland Hazard Mitigation Plan (2021). Hazard classifications for dams are based solely on the downstream damage that would result if the dam were to fail. High and significant hazard dams pose risks that include potential loss of life and flooding to homes, roads, and businesses. Maryland



Wes Moore | Governor  
Aruna Miller | Lt. Governor  
Russell J. Strickland | Secretary

has had a number of dam failures in recent history. For example, in 2016, the privately-owned Barren Creek Dam washed out after a historic rain event and severed a county thoroughway, resulting in \$4M in damages. The Maryland Hazard Mitigation Plan identifies future damage from dam failure as a high probability, particularly as climate change increases the frequency and intensity of rainfall events.

**In conclusion, MDEM urges a favorable report of HB245 - Department of the Environment - Fees, Penalties, Funding, and Regulation.**

If you have any questions, please contact Anna Sierra, MDEM legislative liaison:  
[anna.sierra1@maryland.gov](mailto:anna.sierra1@maryland.gov).

# **HB245 MOWPA Fav.pdf**

Uploaded by: Edward Harrison

Position: FAV

**In Favor of HB245 -  
Department of the Environment – Fees, Penalties, Funding, and Regulation**

To Environment and Transportation Committee Members,

My name is Eddie Harrison, I am the legislative liaison representing MOWPA (Maryland Onsite Wastewater Professionals Association). MOWPA represents all Maryland professionals in the Onsite Industry. We have in our membership: Installers, Pumpers, Engineers, Property Transfer Inspectors, Operation and Maintenance Providers, and Code Officials.

I represent MOWPA as an un-compensated Legislative Liaison, current Vice-President, and former Board President.

My day job is the owner of BAT Onsite, LLC. BAT Onsite, LLC., which is primarily an Operation and Maintenance Provider for automated Onsite Wastewater Systems. Including: Advanced Treatment Units (including BAT), Pump Systems, Mound Systems, Drip Dispersal Systems, and pretty much any Onsite Wastewater System that requires electrical/mechanical operation under 5,000 gallons per day. I am currently servicing over 500 units, covering the whole State of Maryland. I have been working in the Onsite Wastewater Industry as an installer, pumper, designer, property transfer inspector, and operation and maintenance provider since 1984.

**Statement**

The Onsite Wastewater System (Septic System) is the most expensive appliance in the home.

**I am here to support HB245**, as it relates to MDE charging fees for well and septic permits when they have taken over the County Health Departments. (p. 5, lines 29 -31 and p. 6, lines 1 – 13) The remainder of this bill relates to subjects that MOWPA has no official opinion.

MOWPA's membership has witnessed the progressive decline of services in most of the local Health Departments and the Onsite Division of the Maryland Department of the Environment for the past 20 some years. Meanwhile, the complexity of Onsite Wastewater Systems has increased, and the number of failing system repairs has increased. This has significantly increased the workload for these departments while the number of staff members have decreased. We believe that some of these offices are in a crisis mode and may collapse. This is why MDE is asking for this change.

Most local Health Departments are financially supported with State funds. A few Health Departments are self-funded (with no State dollars). Another few are State funded and then subsidized with additional county funds. The counties that fit the last two scenarios are not struggling with the staffing and overload issues to the level that is plaguing the smaller jurisdictions. This is due to larger employment packages in those Counties.

**F. Edward Harrison, Jr. 9608B Fountain School Rd. Union Bridge, MD 21791  
410-795-8691**

Back during the early 2000s, budget constraints started a trend of not replacing staff that may leave a position, or seemed to be in no hurry to fill vacant positions. We also started seeing smaller counties hiring staff, provide training and experience, only to see them migrate to larger counties, federal government, private industry, or other employment opportunities for more pay. This trend has increased over the years, to a point where we are in crisis. The current staff work hard to do the best job they can, but some staff have left from the frustration and workload.

For example, when I started working with one local Health Department in the 80s, there was a Health Director, two Deputy Health Directors, four Area Sanitarians (inspecting new systems and repairs) and three "Subdivision" Sanitarians (dealing with new lot percolation tests and plan review for property development). Today in that same County they have one Health Director, one Deputy Health Director, two Area Sanitarians, and one Subdivision Sanitarian trying to accomplish the same job with a larger workload.

Many of the seasoned staff in these departments have moved on. Many of the current staff are young and inexperienced. New hires are increasingly difficult to attract. It is not surprising that MDE will be taking over some of these local departments, but the fact is MDE doesn't have the staff to provide the services that are needed in our profession.

Allowing MDE to charge for permitting in counties they have taken over is a needed step to help MDE perform their services, but the bigger problem that needs to be addressed is acquiring more qualified help for all of these departments.

From MOWPA's point of view, the well and septic departments in the local jurisdictions and in the State of Maryland perform a vital service for Maryland citizens to protect property values, protect public health, and to protect the environment.

I ask for favorable report of **HB245 Department of the Environment – Fees, Penalties, Funding, and Regulation**

Thank you for your time,

Eddie Harrison

# **GHHI Written Testimony - HB245.pdf**

Uploaded by: Elizabeth Bingham

Position: FAV

January 29, 2024

Delegate Marc Korman, Chair  
House Environment & Transportation Committee  
House Office Building, Room 251  
Annapolis, Maryland 21401

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

Dear Chairman Korman 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

# **HB245 - Maryland LCV SUPPORT\_ Environmental Fees.p**

Uploaded by: Kim Coble

Position: FAV



January 31, 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 - CBF - FAV.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: January 31, 2024

To: Environment and Transportation 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).

# **HB\_245\_Testimony\_DonCurtian**

Uploaded by: Don Curtian

Position: FWA



An Affiliate of  
The Maryland Association of Counties, Inc.

TO: Members of the House Environment and Transportation Committee  
FROM: Maryland Conference of Local Environmental Health Directors  
Maryland Association of County Health Officers (MACHO)  
RE: **House Bill 245, Department of the Environment- Fees, Penalties, Funding, and Regulation**

The Maryland Conference of Local Environmental Health Directors (Conference) and the Maryland Association of County Health Officers (MACHO) **SUPPORT HB 245 WITH AMENDMENTS**. Both groups are affiliates of the Maryland Association of Counties (MACo) with MACHO serving as the professional association of the state's twenty-four Health Officers who oversee the state's twenty-four local public health departments, including the local environmental health programs.

In discussions with the Maryland Department of the Environment (MDE), MDE, MACHO, and the Conference agreed to amend HB 245 as follows (MDE amendment):

On page 5, in line 31, after "**PERMITS**" insert "**IN A COUNTY**".  
On page 6, strike beginning with "**A**" in line 1 down through "**SECRETARY**" in line 4 and substitute:

**"1. THE DEPARTMENT WITHDRAWLS THE AUTHORITY DELEGATED UNDER THIS SECTION TO PROCESS AND ISSUE ON-SITE SEWAGE DISPOSAL PERMITS OR INDIVIDUAL WELL CONSTRUCTION PERMITS FROM A HEALTH OFFICER FOR THE COUNTY OR ANOTHER COUNTY OFFICIAL AUTHORIZED TO ADMINISTER AND ENFORCE ENVIRONMENTAL LAWS; OR  
2. THE HEALTH OFFICER OR COUNTY OFFICIAL RETURNS THE DELEGATED AUTHORITY TO THE DEPARTMENT "**

And, amend as follows (MDE amendment):

On page 6, line 6, "**(II) A LICENSED ENVIRONMENTAL HEALTH SPECIALIST REVIEWS AND APPROVES THE PERMITS.**"

MACHO and the Conference agree with these amendments. Accordingly, we ask the committee to give HB 245 with amendments a **Favorable** vote.

For more information, contact:

Conference: Don Curtian, President, Maryland Conference of Local Environmental Health Directors,  
Phone: 410-222-7050, [hdcurti@aacounty.org](mailto:hdcurti@aacounty.org)

MACHO: Ruth Maiorana, Executive Director, Maryland Association of County Health Officers, Phone:  
410-937-1433, [rmaiora1@jhu.edu](mailto:rmaiora1@jhu.edu)

**MMHA - 2024 - HB 245 - FWA.pdf**

Uploaded by: Grason Wiggins

Position: FWA



## House Bill 245

**Committee: Environment and Transportation**

**Date: January 31, 2024**

**Position: Favorable with Amendments**

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The Maryland Multi-Housing Association (MMHA) is a professional trade association established in 1996, whose members house more than 538,000 residents of the State of Maryland. MMHA's membership consists of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities and more than 250 associate member companies who supply goods and services to the multi-housing industry.

In relevant part, House Bill 245 ("HB 245") doubles the annual cost for residential rental units to register with the Maryland Department of the Environment's (MDE) Lead Rental Registry. HB 245 increases the individual unit cost from \$30 per year to \$60 per year, which would be paid on a two-year basis. Additionally, HB 245 increases the fee for a lead free report to MDE from \$10 to \$50.

The Lead Rental Registry fee only applies to rental properties that were built prior to 1978, which generally comprise much of Maryland's naturally occurring affordable housing. According to the Maryland Department of Housing and Community Development, Maryland currently lacks more than 100,000 affordable housing units. **As a result, the increased fees proposed in House Bill 245 would increase the cost of housing for Maryland's residents and further contribute to Maryland's shortage of affordable housing units.**

MMHA supports the goal of MDE's Lead Rental Registry and believes that the program is beneficial to the public. As such, MMHA would support increased funding for MDE's program in the state budget. Instead of raising fees on Maryland's most affordable housing units, MMHA encourages the General Assembly to allocate state funding in the budget, which includes significant tax revenue that is derived from the same properties that would be paying the increased fees set forth in HB 245. For this reason MMHA, encourages the committee to remove the fee increases on affordable housing from HB 245.

Please contact Grason Wiggins at (912) 687-5745 with any questions.

**MDE HB245 SWA.pdf**

Uploaded by: Les Knapp

Position: FWA



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

***House Bill 245***

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

**Position:** Support with Amendments

**Committee:** Environment and Transportation

**Date:** January 31, 2024

**From:** Leslie Knapp, Jr.

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The Maryland Department of the Environment (MDE) **SUPPORTS** HB 245 **WITH AMENDMENTS**. 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. See the attached bill summary for 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 is offering a set of amendments that addresses some of the concerns raised.

## **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**

As introduced, HB 245 will have a total fiscal impact of \$12.1 million. This includes \$7.9 million in new annual revenue and the prevention of \$4.2 million in annual budget shortfalls. There will be a total of \$3,455,000 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 WITH AMENDMENTS** 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: \$12.1 million

- Total Annual New Revenue: \$7.9 million
- Annual Shortfall Prevented: \$4.2 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.
  - *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 applications 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, the total revenue for the program is anticipated to be \$1,961,000 for FY 2025.

- **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. A portion of the collected fees and fines will also be used for dam inspections. 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 fee and dam 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's ability to issue air emission permits is delegated to us from the Environmental Protection Agency (EPA). The federal Clean Air Act requires delegated states to maintain fees adequate to cover the costs of the permit program. MDE's current fees are no longer sufficient to cover the program costs due to declining emission sources and more complex permits, with revenue projections for FY 2024 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 withdraw the delegation, meaning the program would be run federally.
- *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. Extends the current 8.0 cents per barrel fee, which is set to decrease to 5.0 cents per barrel on July 1, 2024, through July 1, 2027.
- *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 adjusted, 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 of thousands of pages long and very difficult to process.
- *Fiscal Impact:* Between FY 2018 and FY 2021, the VCP was underfunded between roughly \$50,000 and \$100,000. In FY 2023, the program was underfunded by \$280,000. The proposed changes, combined with federal EPA State Response grant funding, would 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, license renewals increase from \$150 to \$300, and surface mine permits increase from \$12 per acre to \$50 per acre. Additionally, the permit cap of \$1,000 would be repealed.
- *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 higher fees for similar services.
- *Fiscal Impact:* This fee increase will bring in an estimated \$1.12 million in additional annual revenue, covering the cost of the program and allowing for much needed equipment upgrades.

- **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 to charge all former generators for their share in what the State is still managing will allow the program to sustainably continue and incentivize the 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.

- **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, EPA has significantly lowered the elevated blood level for lead threshold resulting in increased caseloads and investigations. LPPP had a \$4.0 million shortfall in FY 2023. Caseloads at least doubled in 2020 and are set to increase again by 3 to 4 times for 2024.
- *Fiscal Impact:* Changing the fee will yield \$2.8 million in additional annual revenue. Making the fee payable every two years will create administrative efficiencies for both MDE and registrants.

By: Department of the Environment

To be offered in the Environment and Transportation Committee

**AMENDMENTS to House Bill 245**

(First Reading File Bill)

AMENDMENT NO. 1

**(Well and Septic Permitting)**

On page 5, in line 31, after “PERMITS” insert “IN A COUNTY”.

On page 6, strike beginning with “A” in line 1 down through “SECRETARY” in line 4 and substitute:

**“1. THE DEPARTMENT WITHDRAWS THE AUTHORITY DELEGATED UNDER THIS SECTION TO PROCESS AND ISSUE ON-SITE SEWAGE DISPOSAL PERMITS OR INDIVIDUAL WELL CONSTRUCTION PERMITS FROM A HEALTH OFFICER FOR THE COUNTY OR ANOTHER COUNTY OFFICIAL AUTHORIZED TO ADMINISTER AND ENFORCE ENVIRONMENTAL LAWS; OR**

**2. THE HEALTH OFFICER OR COUNTY OFFICIAL RETURNS THE DELEGATED AUTHORITY TO THE DEPARTMENT”;**

in line 6, after “PERMITS” insert “IN THE COUNTY”; in line 7, after “(2)” insert “(I)”; in the same line, strike “SHALL BE”; in line 8, strike “(I) ESTABLISHED” and substitute “1. SHALL BE ESTABLISHED”; and strike beginning with “(II)” in line 9 down through

“PROCESS” in line 10 and substitute “2. EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, MAY NOT EXCEED \$575.

**(II) 1. SUBJECT TO SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, THE DEPARTMENT MAY ANNUALLY INCREASE THE FEES UNDER PARAGRAPH IN ACCORDANCE WITH THE PERCENTAGE INCREASE IN THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE WASHINGTON METROPOLITAN AREA DURING THE PREVIOUS YEAR.**

**2. THE DEPARTMENT MAY NOT ANNUALLY INCREASE THE FEES UNDER THIS SUBSECTION BY MORE THAN 3%.**

*Rationale for Amendment: The amendment 1) clarifies the circumstances under which the Department can charge a fee for processing and issuing on-site sewage disposal permits and individual well construction permits; and 2) sets the parameters for the fee amounts.*

AMENDMENT NO. 2

**(Oil Transfer)**

On page 10, strike beginning with the colon in line 24 down through “Credited” in line 25 and substitute “credited”; in lines 27 and 29, strike “1.” and “2”, respectively and substitute “**(I)**” and “**(II)**”, respectively; in line 27, strike “Before” and substitute “**ON OR AFTER**”; in the same line, strike “7.75” and substitute “**9**”; in line 29, strike “2024” and substitute “**2029**”; in the same line strike the brackets; and in the same line, strike “AN 8”.

On pages 10 and 11, strike beginning with the semicolon in line 30 on page 10 down through “title” in line 3 on page 11, inclusive.

*Rationale for Amendment: The amendment changes the oil transfer fee to 9 cents beginning on or after July 1, 2024, and reverts the fee to 5 cents on or after July 1, 2029.*

AMENDMENT NO. 3

**(Wetlands)**

On page 13, after line 9, insert:

**“(12) “TIER II HIGH QUALITY WATERSHED” MEANS THE LAND AND WATER AREA WHICH DRAINS TOWARD OR INTO A TIER II HIGH QUALITY WATER AS DESIGNATED AND IDENTIFIED IN A GEOGRAPHIC INFORMATION SYSTEM BY THE DEPARTMENT.”;**

in line 10, strike “and”; and in the same line, after “(6)”, insert “**, AND (7)**”.

On page 14, in line 23, strike “paragraph” and substitute “**SUBPARAGRAPHS**”; in line 24, strike “and” and substitute “**, (1)**”; in the same line, after “(ii)(1)”, insert “**, and (7)(i)**”; and in line 29, strike “paragraph” and substitute “**PARAGRAPHS**”; and in the same line, after “(5)”, insert “**and (7)**”.

On Page 16, after line 14, insert:

**“EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (5) OF THIS SUBSECTION, ALL APPLICATIONS FOR WETLANDS AND WATERWAYS AUTHORIZATIONS ISSUED BY THE DEPARTMENT FOR ACTIVITIES PROPOSED IN A TIER II HIGH QUALITY WATERSHED SHALL BE ACCOMPANIED BY AN ADDITIONAL APPLICATION FEE, AS FOLLOWS:**

**(I) FOR AN APPLICATION FOR A MINOR PROJECT OR MINOR MODIFICATION.....\$400; AND**

**(II) FOR AN APPLICATION FOR A MAJOR PROJECT OR MAJOR MODIFICATION.....\$1,600.**

**(8)**”;

in line 21, strike “and”; in the same line, after “(6)”, insert “, **and (7)**”; and in line 23, strike “**(8)**” and substitute “**(9)**”.

On page 17, in line 14, after “resources”, insert “**INCLUDING TIER II HIGH QUALITY WATERS AND TIER II HIGH QUALITY WATERSHEDS**”.

*Rationale for Amendment: This amendment establishes an additional application fee for projects proposed in a Tier II High Quality Watershed. The level of review required by these projects is greater than a standard wetlands application review in order to ensure the protection of the State’s high quality waters and to review any social and economic justifications for impacts that cannot be avoided. The proposed surcharge is calculated based on the annual average number of wetlands applications that occurred in a Tier II watershed and was weighted based on the staff time spent on major and minor projects and modifications.*

# **MBIA Letter of Support with Amendments HB245.pdf**

Uploaded by: Lori Graf

Position: FWA

January 29, 2024

The Honorable Marc Korman  
Chairman, House Environment & Transportation Committee  
Room 251 House Office Building  
Annapolis, Maryland 21401

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

Dear Chairman Korman,

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** with amendments.

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.

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 request 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 House Environment and Transportation Committee

# **HB245 Back River Pre Cast FWA.pdf**

Uploaded by: Mathew Geckle

Position: FWA

**Mathew Geckle  
Vice President  
Back River Pre Cast**

**HB 245 Department of the Environment – Fees, Penalties, Funding, and  
Regulation  
House Environment and Transportation Committee  
January 31, 2024**

**Position Support with Amendment**

I am pleased to support Maryland Department of the Environment's request to charge fees for septic system permits if the agency is the one doing the septic permitting work for a local government.

As this committee knows well both MDE and local governments are understaffed and have been underfunded for too long. This is taking a toll on the remaining staff, resulting in long waits for permits and, importantly, and harming Marylander's health and environment. When MDE must step in and help a local jurisdiction with permitting it needs to be paid for that work through the permitting fees.

This bill takes some steps needed to fund agencies appropriately, and I support these steps wholeheartedly and urge their passage. It is important to note however that this bill is missing two important tools.

1. Allow MDE and local jurisdictions to assess administrative penalties when septic system is not fixed in a timely matter. This provided a swifter and easier course of action to hold polluters accountable than the current civil penalty provisions.
2. Set penalties at a higher rate to be a real deterrent to pollution. Sadly, paying a low fine can be preferable to fixing broken septic systems.

With these additions I urge a favorable report

# **HB0245\_FAVwAMENDMENTS.pdf**

Uploaded by: Robin Broder

Position: FWA



## **HB0245 – MDE – Fees, Funding, Penalties & Regulations Favorable with Amendments**

To Chair Korman and members of the Committee,

Thank you for the opportunity to submit comments on behalf of Waterkeepers Chesapeake **in favor of HB0245, with amendments**. Our state is defined by the Chesapeake’s waterways, which contribute to our economy, and are a centerpiece of our culture and traditions in Maryland. Waterkeepers Chesapeake, and the clean water advocates across the State signed below, work to protect and restore the unique tributaries of the Bay, and hold polluters accountable when damages occur.

HB0245 will allow Maryland's Department of the Environment (MDE) to assign more appropriate fees when processing permits for on-site wastewater systems, better assess lead contamination risks in housing units, process first time applications for the Voluntary Cleanup Program, manage oil transfer licenses, and more. These alterations in fees will provide MDE more resources to more effectively complete their work, and add the necessary staff to achieve proper oversight of industries and activities that can have adverse effects on the environment and our waterways. **Importantly, the bill – along with the planned action to increase fees set in regulation for later this year, as announced in the JCR response— will help shift the cost of protecting the public from pollution to those who create the pollution and reduce the fiscal and economic burden on the public; this is a concept already enshrined in Maryland statute and the Department’s own regulations, but that remains mostly unimplemented.** The Department itself recently noted in response to a JCR request that the declining revenues it has been facing “are based on the Department’s history of not reviewing fees regularly; not adjusting fees on par with inflation; and providing services typically funded by fees, without imposing fees.”

**While we support this bill, we also feel that it does not go far enough. In addition to the important fee increases proposed in this bill, the bill should also reflect the need to right-size revenues from fines.** In its JCR response, the Department noted that “bolstering enforcement” would be a key aspect of the strategy to enhance special fund revenues: “To reverse trends that resulted in minimal enforcement actions and collection of penalties, the Department will begin assessing maximum penalties to the extent of the law for entities that purposely violate environmental laws.” A logical first step, while we await an increase in enforcement actions, is to increase this “maximum penalty.”

**Thus, the maximum fine for administrative enforcement of a water pollution control violation should also be increased to account for inflation and to adequately assess a penalty that removes the economic benefit to pollute.** As illustrated in the recent JCR response and a review of past annual enforcement reports from the Department, in many years a majority of the Maryland Clean Water Fund consists of penalty revenues, the vast majority of which are from administrative enforcement actions. Thus, it stands to reason that a major driver of special fund revenues would come from significantly increasing the cap on administrative fines. This would come with the crucial co-benefit of greater deterrence, resulting in much higher rates of compliance with our environmental and public health laws.

We are very thankful for the new administration's demonstrated commitment to providing additional resources for the Department. MDE has been at historically low staff levels, and with staff carrying workloads more than 5 times those of equivalent staff in other states, their ability to do their jobs effectively has suffered. Overworked and underpaid staff have left the agency resulting in even more of a gap in staffing due to many unfilled vacancies. This historic investment will help to rebuild this agency and allow them to, once again, fulfill their purpose of protecting Maryland communities from pollution. **As environmental advocates we want to ensure that this year's legislative actions to increase department resources match this historic reinvestment in MDE, and effectively result in the greatest possible benefit for Maryland communities and waterways.**

Suggested amendment language:  
9-342(b)

(2) The penalty imposed on a person under this subsection shall be:  
(i) Up to \$10,000 for each violation, but not exceeding **\$200,000** total

The Chesapeake Bay Program's recently published Comprehensive Evaluation of System Response report — [CESR](#)— is a seminal document that addresses our shortcomings in achieving goals outlined in the Chesapeake Bay Agreement. The CESR report calls for a dramatic increase in targeted restoration and large-scale behavior change to address pollution loads to our waterways. To achieve this, it has never been more necessary for our State's departments to have full access to the resources and capital necessary to properly enforce our environmental regulations and mitigate appropriately when pollution occurs. For these reasons stated above, we urge the Committee to adopt a **FAVORABLE with amendments** report on **HB0245**.

Sincerely,

**Waterkeepers Chesapeake and clean water organizations signed below:**

ShoreRivers  
Blue Water Baltimore  
Assateague Coastal Trust  
Potomac Riverkeeper Network  
Arundel Rivers Federation  
Maryland Pesticide Education Network

# **HB 245 - MDE - Fees Penalties, Funding and Regulat**

Uploaded by: Tom Ballentine

Position: FWA



January 31, 2024

The Honorable Marc Korman, Chair  
House Environment and Transportation Committee  
House Office Building, Room 251  
6 Bladen St., Annapolis, MD 21401

**Favorable w/ Amendment: HB 245 – MDE Fees, Penalties, Funding and Regulation**

Dear, Chair Korman and Committee Members:

The NAIOP Maryland Chapters represent more than 700 companies involved in all aspects of commercial, industrial, and mixed-use real estate. On behalf of our member companies, I am writing to recommend your favorable w/ amendments report on HB 245. NAIOP requests the committee consider the following points:

- HB 245 increases fees and eligible purposes of special funds within MDE. Among the changes are increased permit fees, creation of an annual registration requirement and establishment of a Private Dam Repair Fund related to the design construction, operation, and maintenance of dams.
- Land development projects often contain small ponds that provide stormwater management that are not considered dams. At times development projects contain larger impoundments that would be considered dams. Determining whether a facility is a dam or a small pond that is not subject to the new fee and permitting requirements can be complicated.
- COMAR 27.17.04 Defines a Dam:  
*"(4) "Dam" means any obstruction, wall, or embankment, together with its abutments and appurtenant works, if any, in, along, or across any stream, heretofore or hereafter constructed for the purpose of storing or diverting water or for creating a pool upstream of the dam, as determined by the Administration."*
- A dam's height, drainage area, storage volume and downstream hazard conditions determine its classification, which affect the standards it must meet and whether it must pay into the Private Dam Repair Fund.
- NAIOP and MDE have discussed this issue and agreed conceptually on language clarifying that the bill is not intended to apply the new dam requirements to structures that are not currently considered dams. It is our understanding that this will be included in the departmental amendments.

**For these reasons, NAIOP respectfully recommends your favorable w/ amendments report on HB 245.**

Sincerely,

Tom Ballentine, Vice President for Policy  
NAIOP Maryland Chapters -*The Association for Commercial Real Estate*

cc: House Environment and Transportation Committee Members  
Nick Manis – Manis, Canning Assoc.

# **HB245-SmartOnPesticidesCoalition\_Unfav.pdf**

Uploaded by: Bonnie Raindrop

Position: UNF



## Testimony in Opposition of HB 245 Department of Agriculture - Licensing, Registration, Fees and Penalties, and Regulation

January 31, 2023

Committee: **Environment and Transportation Committee**

Submitted by: **Smart on Pesticides Coalition of 114 organizations and businesses and 55 Maryland Beekeepers who signed on to this testimony.**

Position: **Oppose**

Dear Chair, Vice Chair, Members of the Committee:

The Smart on Pesticides Coalition of 114 organizations and businesses, and the undersigned beekeepers ask for your opposition to SB278 "Department of Agriculture - Licensing, Registration, Fee and Penalties, and Regulation" bill, specifically section 5-503 pgs 3-4 concerning beekeeping penalties. **This is an unnecessary and unwarranted action that does not serve the beekeeping community.**

This is what the reality of this poorly thought out piece of legislation looks like for both commercial and hobbyist level beekeepers and how it could effect them.

Maryland beekeepers are already besieged by the heavy financial costs of long-term high honeybee losses in Maryland. Once again, **Maryland losses were reported by the national [Bee Informed Project at 48.47%](#). This is consistent with losses nearing 50% hive mortality year after year for more than a decade.** SB278 seeks to add to these beekeeper financial woes by setting financial penalties for beekeepers who are late or choose not to register their bee colonies, or who choose to manage hives that do not comply with MDA's mandate for moveable hive frames.

**The loss of a single honeybee hive is calculated at \$2000.** This number is based on a healthy hive producing an average of 90 lbs of honey, sold at \$15/lb = \$1350. Beekeepers split healthy hives in the spring to make new "nucleus" or "nuc" colonies and an average of 2 or more starter nuc colonies can be made. Nucs are a hive product that sells for \$200 or more. Costs to feed a new or replacement nuc hive and treating mites are additional. Therefore, the loss of income is approximately \$2000 for each dead hive.

Furthermore, dead hives must be replaced and significant labor through the year is needed to build them to the level where they can produce a honey crop the following spring—this constitutes many hours of labor on the part of the beekeeper to feed the new hive and manage it, without income to pay for these labor hours. This is not calculated in the above figure.

MDA states: **Maryland beekeeping is critical to Maryland agriculture and crops valued at over \$40 million** will require and benefit from honey bee pollination in the state. MDA cites [1,800 beekeepers who keep 14,000 colonies](#) annually. With 50% mortality, Maryland beekeepers are sustaining losses of \$1,400,000 each year! How many other businesses that are crucial to Maryland's largest industry, agriculture, would be needlessly penalized while sustaining these kinds of losses?

Due to these hard financial realities, **Maryland loses beekeepers at an astounding rate**; some bee clubs calculate this at nearly 50% a year. The numbers are only marginally static (if we believe MDA's numbers, which haven't changed on its webpage in 10 years) because the public is so concerned and enthralled by honeybees that there has been a consistent churn of new hobby beekeepers coming into the industry each year. They unfortunately often quit in defeat after a few years of recurring hive losses.

**This bill puts the Dept of Agriculture in an adversarial position with small business owning beekeepers who are already sustaining huge losses due largely to no fault of their own.** These losses track to the increased use of neonicotinoid and other pesticides and resulting consequences of bee health impacts and morbidity –



poisoned habitat, increased susceptibility to pest and pathogens, impaired reproductivity – all worsened by pesticides that are ubiquitous in the environment and beekeepers have no way of protecting their colonies from this constant poisoning exposure.

One might say, if they are law abiding what does it matter? But imagine being late and being fined for your 10 hives for \$25 or \$50 each--that's \$250 or \$500. Beekeepers operate their apiaries as commercial or sideline businesses and hobbies, and beekeeping takes much more time due to colony loss impacts; it is easy to imagine annual paperwork being filed late and penalties and fines becoming one more reason to throw in the towel on beekeeping. Some beekeepers are experimenting with different hive configurations to find ways to increase survival and the health of their bees. They should be fined?

This law would be another step in changing what has historically been a goodwill partnership for around 70 years between MDA and beekeepers into a more adversarial one. Why is this needed now?

**Please oppose bill HB 245 —specifically section 5-503 pgs 3-4 concerning beekeeping penalties— which adds an unfair unnecessary burden to Maryland’s beleaguered beekeepers.**

Thank you,

Bonnie Raindrop,  
Coordinator, [Smart on Pesticides Coalition](#) of 114 organization and businesses

And the undersigned 55 Maryland beekeepers:

**Andrew Hammond**, Aqueduct Abbey Apiary, Beekeeper, chickwich@yahoo.com  
**Anne W. Brown**, Maryland State Beekeepers Assoc., Member beekeeper, 1990-2020, awb@chesapeake.net  
**Chad David Cover**, Beekmore Apiary, Beekeeper, TreeKeeper & Taxpayer, beekmoreapiary@gmail.com  
**Dave Dobbs**, Big Bee Apiary, Master Beekeeper/Owner, dobbsda@gmail.com  
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**Duane Economos**, Economos home, retired, economosmick@gmail.com  
**Edward Celarier**, Dr. C's Bees, Backyard beekeeper, edward.celarier@gmail.com  
**Edwin Berkinshaw**, Dr. B's Bees, President, berkinshaw@gmail.com  
**Erik Nachbahr**, Sugabee Apiary, Owner, enachbahr@heliontechnologies.com  
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**Gary Appel**, Ree's Bees apiary, Beekeeper, garyappel33@gmail.com  
**Gigi Shaffer**, Hobby beekeeper, gmshaff@gmail.com  
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**Kathryn Carr**, Residential, Owner, carrkb3704@gmail.com  
**Kenneth Lehman**, A Ferndale Beekeeper, Head Beekeeper, ibekenok@gmail.com  
**Kristine Gavrilis**, Member of Central Maryland Beekeepers Association, Beekeeper, kristine\_g@comcast.net  
**Lisa Reichenbach**, Central Maryland Beekeepers Association Member, lisacreichenbach@yahoo.com  
**Louise Wright**, Baltimore City Beekeepers, Central Maryland Beekeepers, Member, louisew@gmail.com  
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**Mandee Tejada**, Former member of Susquehanna beekeepers club, mandee.tejada@gmail.com  
**Mark Burchick Jr**, Howard County, mjburchick@gmail.com  
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**Nancy Berger**, Central MD Beekeeping Association Member, trail4miles@gmail.com  
**Pam Geraghty**, Susquehanna Beekeeping Association Member, Beekeeper, p.g.geraghty@comcast.net  
**Renee Howard**, Susquehanna Beekeeping Association Member, reeneh947@yahoo.com  
**Richard Wallace**, Montgomery County Beekeepers, Mr., rickcapsfan@yahoo.com  
**Rita Kryglik**, Susquehanna Beekeepers Association, NA, rkryglik@gmail.com  
**Sara Shaeffer**, Howard County Beekeepers Association/Let it Bee Apiary, saralshaeffer@yahoo.com  
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**Steve McDaniel**, McDaniel Honey Farm, Master beekeeper, mail@mcdanielhoneyfarm.com  
**Steve Kopelman**, Piedmont Learning Center, steve@activeexcursions.org  
**Susan Bitter**, Central Maryland Beekeepers Member, sdbitter228@gmail.com  
**Susan Wolfe**, CMBA Member, USN (Ret), s9wolfe@gmail.com  
**Thomas Soileau**, Montgomery County Beekeepers, Beekeeper, toso1234@yahoo.com  
**Victor Kulynycz**, Vics Angry Bees, Backyard beekeeper, victorkulynycz@gmail.com  
**Wesley Villatoro**, Bizzy Bees, Keeper, wsly\_vlltr@comcast.net  
**William Castro**, Bee Friendly Apiary, owner, billiam1969@beefriendlyapiary.com

**ABC\_UNFAV\_HB0245.pdf**

Uploaded by: Martin Kraska

Position: UNF



*The Voice of Merit Construction*

January 31, 2024

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To: House Environment & Transportation Committee  
From: Associated Builders & Contractors  
RE: HB 245 - Department of the Environment - Fees, Penalties, Funding, and Regulation  
Position: Unfavorable

Associated Builders and Contractors (ABC) represent more than 1500 construction and construction-related companies through its four Maryland chapters. Our members believe in the tenets of free enterprise, investing in their workforce and giving back to the communities in which they live, work and play.

House Bill 245 authorizes the Department of the Environment to charge a fee for processing and issuing on-site sewage disposal permits and individual well construction permits under certain circumstances and authorizes the Department to establish a certain fee for the Responsible Personnel Training Program Certification.

ABC is opposed to HB 245, while we acknowledge the intent of the legislation, we express concerns about the potential consequences of this legislation. The introduction of various fees and permits create an additional financial burden for Maryland businesses. These increased fees associated with air quality control permits, on-site sewage disposal permits, and individual well construction permits could hinder economic growth and place undue strain on industries. Overall, the bill's provisions could impede the competitiveness and financial stability of companies operating in Maryland.

ABC appreciates your consideration and, for these reasons, respectfully requests a **unfavorable** report on House Bill 245.

*Martin "MJ" Kraska  
Government Affairs Director  
Chesapeake Shores Chapter*

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

Uploaded by: Rachel Clark

Position: UNF

CHAIRMAN:  
Jeff Graf  
VICE CHAIRMAN  
David Slaughter

**MARYLAND ASPHALT ASSOCIATION**



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

January 31, 2024

Delegate Marc Korman, Chair  
House Environment and Transportation Committee  
251 House Office Building  
Annapolis, MD 21401

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

Dear Chair Korman and Members of the Committee:

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 is an omnibus Departmental bill that increases permitting fees within various programs in the Department of the Environment (MDE). We recognize that many of these fees have remained untouched for years, sometimes decades, but we are extremely concerned by the rates of these increases, in some cases 10 times the current cost. We also do not understand MDE's intent with these increases—will this be a one-time jump or should we anticipate more increases over the coming years. Current law states that the fees shall cover the reasonable costs of reviewing applications for the permits and the reasonable costs in implementing and enforcing the terms of the permits. Some of these increases will result in substantial increases that when applied across the industry as a whole will result in permitting revenues that would seem to exceed the costs they are meant to cover—what will MDE do with these excess funds, beyond the costs of administering the programs?

We are concerned about aspects of the bill related to the section on regulated air emissions, which increases the total per ton from \$50 to \$200. We estimate the impact of this increase to the asphalt industry to be around \$155,000. This is a three-fold increase. Additionally, petroleum imports will increase by 3 cents a barrel, which will have an impact of around \$65,000 to our industry. These costs will be passed on from the liquid suppliers to the asphalt pavement manufacturers, and in turn, the State. We would like to offer a reasonable alternative, recognizing that fees do need to increase. We request that all increases in the bill be tied directly to the Consumer Price Index (CPI). For the air permits, this

CHAIRMAN:  
Jeff Graf  
VICE CHAIRMAN  
David Slaughter

**MARYLAND ASPHALT ASSOCIATION**



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

would be roughly \$101 instead of \$200. The law in fact already states that the fees may be adjusted to reflect changes to the CPI.

At a time when we are still suffering from slowed growth in our economy, tremendous financial strain, and major cuts to transportation spending by the Administration, we cannot operate under these drastic increases. Our industry is struggling and the burden of these additional costs will have a significant adverse impact on our member companies. By increasing these fees at the rate MDE has set, our members will be forced to either increase our pricing to the State or abandon working in Maryland. We look forward to working collaboratively with MDE to come to a consensus that works for everyone.

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

Sincerely,

A handwritten signature in black ink that reads "Tim Smith". The signature is written in a cursive style.

Tim E. Smith. P.E.  
President  
Maryland Asphalt Association

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

Uploaded by: Rachel Clark

Position: UNF



January 31, 2024

Delegate Marc Korman, Chair  
House Environment and Transportation Committee  
251 House Office Building  
Annapolis, MD 21401

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

Dear Chair Korman and Members of the Committee:

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 is an omnibus Departmental bill that increases permitting fees within various programs in the Department of the Environment (MDE). We recognize that many of these fees have remained untouched for years, sometimes decades, but we are extremely concerned by the rates of these increases, in some cases 10 times the current cost. We also do not understand MDE’s intent with these increases—will this be a one-time jump or should we anticipate more increases over the coming years. Current law states that the fees shall cover the reasonable costs of reviewing applications for the permits and the reasonable costs in implementing and enforcing the terms of the permits. Some of these increases will result in substantial increases that when applied across the industry as a whole will result in permitting revenues that would seem to exceed the costs they are meant to cover—what will MDE do with these excess funds, beyond the costs of administering the programs?

We are particularly concerned about aspects related to the section on surface mining permits (starting on Page 35). We understand the fees have not been increased in 30 years, and our members agree there should be some amount of increase, but by removing the cap entirely, this changes the fee structure by 10 times for some of our members. One member company’s annual cost would go from \$7,000 to \$107,000 and other would jump from \$11,100 to \$111,000 annually.

This is an unmanageable increase that disproportionately impacts mines with large surface acreage. It is not shared proportionately with the other mines in Maryland. We respectfully request that the cap be put back into the surface mining program and would like to offer a reasonable alternative, recognizing that fees do need to increase. First, we think the application fee should be increased so that

every mine pays their fair share. This cost is directly tied with managing the program. Second, we ask that all increases in the bill be tied directly to the Consumer Price Index (CPI). For surface mining, the cap would go from \$1,000 to \$2,030 using the CPI. In Section 2-403 related to air permits (Pages 4-5), instead of an increase from \$50 to \$200, using the CPI, this increase should be \$101. The law in fact already states that the fees may be adjusted to reflect changes to the CPI.

At a time when we are still suffering from slowed growth in our economy, tremendous financial strain, and major cuts to transportation spending by the Administration, we cannot operate under these drastic increases. Our industry is struggling and the burden of these additional costs will have a significant adverse impact on our member companies. By increasing these fees at the rate MDE has set, our members will be forced to either increase our pricing to the State or abandon working in Maryland. We look forward to working collaboratively with MDE to come to a consensus that works for everyone.

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

Thank you,

A handwritten signature in blue ink, appearing to read 'MS', with a long horizontal flourish extending to the right.

Michael Sakata  
President and CEO  
Maryland Transportation Builders and Materials Association

**HB 245\_realtors\_unf.pdf**

Uploaded by: William Castelli

Position: UNF



**House Bill 245** – Department of Environment – Fees, Penalties, Funding, and Regulation

**Position: Unfavorable**

The Maryland REALTORS® opposes HB 245 which increases fees for certain Maryland Department of Environment (MDE) licenses and permits. The REALTORS® are concerned over the fee increase to rental properties for lead registration.

While the REALTORS® do not have a position on many of the fee increases in the bill -- which range in scale -- the increase to the annual lead registration doubles from \$30 per unit per year, to \$120 per unit every 2 years. The doubling of the fee appears large compared to many of the other fee increases included in the bill and impact our older rental units which are some of the most affordable in the state. This fee increase is compounded for multi-unit properties which may have several to hundreds of units they register each year.

While we appreciate the Governor's focus on creating more housing in Maryland, we believe the current lead registration fee undermines efforts to protect rental affordability and we encourage an unfavorable report.

**For more information contact [lisa.may@mdrealtor.org](mailto:lisa.may@mdrealtor.org) or  
[christa.mcgee@mdrealtor.org](mailto:christa.mcgee@mdrealtor.org)**