



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

***House Bill 1320
Bay Restoration Fund – Disbursement and Use of Fund***

Position: Oppose
Committee: Environment & Transportation
Date: March 6, 2024
From: Gabrielle Leach

The Maryland Department of the Environment (MDE) **OPPOSES** HB 1320.

Bill Summary

House Bill 1320 would amend the Bay Restoration Fund (BRF) Septic funding section of the Environment Article by modifying the allocation and disbursement of fee revenues collected from users of septic systems or holding tanks and deposited into the BRF. Under current law, 40% of BRF septic revenues are used to fund the agricultural cover crops program under MDA. This legislation would cap the amount of funding that is transferred to MDA for the cover crops program at the level that is transferred in FY24. All remaining BRF septic revenues would be transferred to MDE for the septic upgrade program.

The bill would also expand the category of systems that are given first priority for upgrade to include failing or nonconforming systems within 1000 feet of a nitrogen impaired body of water. Currently, the first priority is given to failing systems within the Chesapeake and Atlantic Coastal Bays Critical Area and second priority is given to failing systems that are deemed to be a threat to public health or water quality.

Finally, the bill would add to the eligible uses of the BRF septic funding to include the costs of engineering, or design of a septic system with one that utilizes BAT for the removal of nitrogen, and installing or replacing the drainfield of a septic system. Currently, MDE pays for the BAT septic tank, but only pays for drainfield installation or replacement for low-income households.

Position Rationale

MDE understands there may be amendments to address some of the Department's concerns. However, MDE still has concerns with the first priority of funding as "failing and nonconforming systems located within 1,000 feet of a nitrogen-impaired body of water" language in the bill. Currently, there are no statewide maps that exist that show septic systems' location in relation to nitrogen impaired bodies of water. MDE does have maps that show nitrogen impaired bodies of water, but these maps do not show the

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land area within 1000 feet of these bodies of water or the location of septic systems relative to the bodies of water. New mapping would need to be developed in order to implement this provision of the legislation. Without this mapping, the county health departments/governments would be left to make the determination of whether a septic system is within 1000 feet of a nitrogen impaired body of water without the benefit of a map to reference to make this determination.

For the reasons detailed above, MDE urges an **UNFAVORABLE** report for HB 1320.