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BILL NO.: **HB1320**

TITLE: Bay Restoration Fund - Disbursement and Use of Fund

SPONSOR: Delegate Stein

COMMITTEE: House Environment and Transportation Committee

DATE: March 6, 2024

Baltimore County provides this Letter of Information to the House Environment and Transportation Committee on **HB 1320 - Bay Restoration Fund - Disbursement and Use of Fund**.

Sixty percent of Bay Restoration Funds (BRF) collected from septic system users is allocated to Maryland Department of the Environment (MDE) to help fund septic system upgrades to advanced technology systems. Baltimore County relies on these funds to address public health challenges from failing septic systems. Yet, because the need is so great, and growing, Baltimore County has run out of funds to support worthwhile projects each of the past several years. As this committee considers how to best address Statewide needs for septic system improvements, Baltimore County requests consideration of a few points.

1. BRF funds may currently be utilized to pay for drainfield replacement for low-income property owners. Consideration should be given to adjusting the current threshold to help more low-income households repair failing systems. Because the BRF was created to reduce nitrogen, only certain types of drainfields should be eligible this financial assistance. For example, sand mounds, at grade systems, drip dispersal and some types of shallow trenches discharge wastewater within the root zone which enables further nitrogen reduction. However, drainfields that discharge 2-3 feet below the ground would not likely further reduce nitrogen and should not qualify.
2. Current bill language could result in what is already inadequate BRF funding being spread over even fewer properties. In addition to reconsideration of BRF funds directed to septic improvements, there should also be consideration of current income thresholds for grant eligibility. The current income threshold for 100% grant funding for Best

Available Technology (BAT) septic systems and up to \$25K for sewer connections is \$300K. Property owners with income above \$300 K are still eligible for 50% grant funding. Perhaps a cap modification and/or graduated scale for financial assistance could allow more homeowners to benefit from BRF assistance.

3.

Baltimore County professional staff have joined with other counties to discuss these, and related, concerns regarding the increasingly complex and often expensive solutions needed to adequately address failing septic systems that can cause both ecological and public health challenges. Current needs overwhelm current funds dedicated to the problem, and only comprehensive assessment of the BRF septic funds, allowable uses, and complementary policy changes will bring about an adequate solution.

For more information, please contact Jenn Aiosa, Director of Government Affairs, at jaiosa@baltimorecountymd.gov.