



The Maryland Department of the Environment
Secretary Serena McIlwain

Senate Bill 117

Environment - Bay Restoration Fund - Septic System Upgrade Program

Position: Support
Committee: Environment and Transportation
Date: March 26, 2024
From: Alex Butler, Deputy Director of Government Relations

The Maryland Department of the Environment (MDE) **SUPPORTS** SB 117. The bill makes several critical updates to the Bay Restoration Fund (BRF) to improve septic system upgrades with Best Available Technology (BAT) for nitrogen removal.

First, the bill as amended prioritizes funding for failing septic systems in any areas of the State where increased nitrogen reductions have the greatest positive impact on dissolved oxygen levels in the Chesapeake Bay. Under current law, prioritization is focused on the critical areas like the Chesapeake and Atlantic Coastal Bays. The expanded prioritization better targets some of Maryland's most vulnerable ecosystems and communities and improves nitrogen reduction efforts at the local level. This change is based on a recommendation from the 2023 report *Achieving Water Quality Goals in the Chesapeake Bay: A Comprehensive Evaluation of System Response* (CESR Report).

Second, the bill expands BRF funding access for moderate-income homeowners, providing needed financial assistance for upgrades and maintenance, such as drainfield replacements, that would otherwise be cost-prohibitive. This change provides some additional flexibility for funding deserving projects.

Finally, the bill adjusts an eligibility date that is starting to exclude otherwise worthy projects from consideration of BRF assistance. When the BRF was originally created, eligibility was limited to those septic systems installed on or before October 1, 2008. As time has moved forward, some systems installed after that date are reaching the end of their natural lifespans and homeowners are unfairly being excluded from accessing BRF funding. The bill alters the eligibility date to require a septic system to have been installed at least 15 years before July 1 of the year in which the application for funding is made.

Senate Bill 117 updates the BRF to keep this nationally recognized funding program focused on improving water quality for all Marylanders, meeting our Chesapeake Bay restoration goals, and providing a more equitable and fair funding process. Accordingly, MDE asks for a **FAVORABLE** report for SB 117.

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