

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 537 (Delegate Minnick, *et al.*)(Baltimore County Administration)
Environmental Matters Referred to Economic & Environmental Affairs

Environment - Dredge Spoil - Hart-Miller-Pleasure Island

This amended bill establishes the maximum permissible height of the containment dikes at the Hart-Miller Island Dredged Material Containment Facility. The limits are 44 feet above mean low water in the north cell and 28 feet in the south cell. Dredge spoil may not be deposited on Hart-Miller Island after December 31, 2009 or after the maximum heights are reached, whichever is sooner. New dredge spoil from a channel may not be deposited in the south cell. The Maryland Department of Transportation (MDOT) and the Department of Natural Resources (DNR), in consultation with Baltimore County, must develop a plan for the development of Hart-Miller Island by June 30, 1998. Development must be substantially complete in the south cell by July 1, 2002 and in the north cell by July 1, 2013.

This bill is effective July 1, 1997.

Fiscal Summary

State Effect: Potential indeterminate effect on State expenditures. Potential decrease in federal fund revenues.

Local Effect: None.

Small Business Effect: Potential indeterminate effect on small businesses as discussed below.

Fiscal Analysis

State Expenditures: The provisions of the bill regarding maximum height and the end disposal date codify the current Dredged Material Management Plan with respect to Hart-Miller Island. However, it is possible that certain areas of Hart-Miller could reach the maximum heights prior to the year 2010, while others could be substantially below capacity

due to the way dredge material is piped in. Depending on how such a situation is interpreted, this could cause a cessation of operations at Hart-Miller and a change in the dredging disposal plans. In addition, the current plan to raise the dikes at Hart-Miller Island is due to the lack of alternative sites for dredge disposal. If any of the alternative sites currently being worked on are not available in the time frames expected, raising the dikes again at Hart-Miller Island would not be an option under the terms of this bill. The Maryland Department of Transportation might therefore have to use potentially more costly dredge disposal sites, rush completion of alternative sites, or utilize open-water placement. Alternatively, dredging plans might have to be scaled back.

The Maryland Port Administration (MPA) reports that adhering to the redevelopment deadlines imposed in this bill could cause difficulty in obtaining federal funds for this project. MPA and DNR are currently working to obtain Army Corps of Engineers involvement and federal funding for the Hart-Miller Island project. These federal funds are tied to substantial federal input into the process; it is uncertain if these deadlines would eliminate or reduce the possibility of a federal grant. The project for development of the south cell is expected to cost \$4 to \$5 million; if a federal grant is obtained it would cover 75% of this cost.

Site preparation work is currently being funded by MPA and managed by the Maryland Environmental Service (MES). Technical difficulties might affect the ability of the departments to meet the development deadlines outlined. Most of this is connected to growing vegetation in an uncertain and unfamiliar environment. It is unclear how this would impact the project expense. If the definition of “substantially developed” takes account for some degree of necessary replanting in a reasonable time frame, then the impact could be minimal. However, if the project is overly rushed and too many plantings fail, then expenditures could escalate.

Small Business Effect: In the event that dredging plans have to be scaled back, small businesses that rely on port traffic or that assist in dredging operations could potentially be affected. Conversely, if open-water placement were used, this could have an indeterminable negative impact on the seafood industry.

Information Source(s): Maryland Department of Transportation, Maryland Department of the Environment, Department of Natural Resources, Department of Fiscal Services

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