Department of Legislative Services

Maryland General Assembly

FISCAL NOTE

House Bill 867	(Delegates M. Burns and Rzepkowski)
Environmental Mat	ters

Deicing Chemicals - Annual Reports

This bill requires that each owner, operator, or licensee of any source of a discharge of propylene-glycol or other related deicing chemicals shall submit a report to the Maryland Department of the Environment (MDE) relating to the use, handling, and storage of these chemicals. The report shall contain information regarding the total volume of deicing chemicals purchased, used, stored, and received during the preceding calendar year as well as any other information that MDE may require. The reports must be filed annually beginning January 1, 1999 and are to be kept for five years. Persons who violate the provisions of the bill are subject to a penalty imposed by MDE.

Fiscal Summary

State Effect: None. The bill's requirements could be handled with existing resources. Potential indeterminate increase in revenues due to the bill's penalty provision.

Local Effect: Potential indeterminate increase in local government expenditures.

Small Business Effect: Potential meaningful.

Fiscal Analysis

State Effect: The bill requires MDE to receive and store annual reports from persons that purchase, use and store deicing chemicals. As a result, MDE advises that general fund expenditures could increase by an estimated \$142,669 in fiscal 1999, which accounts for the bill's October 1, 1998 effective date. This estimate reflects the cost of hiring the equivalent of three and one-half positions (one Administrative Officer, two Environmental Inspectors, and one-half Office Secretary) to process the required annual reports, perform site visits, and conduct compliance and enforcement activities. It includes salaries, fringe benefits, one-

time start-up costs, and ongoing operating expenses. Future year expenditures would reflect: (1) full salaries with 3.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

The Department of Legislative Services has not been provided with any information regarding the number of entities that would be subject to the bill's reporting requirements although the number is assumed to be small. Legislative Services advises that the bill only requires MDE to be a repository for annual deicing reports, and that MDE could determine the number of affected entities and receive their reports with existing resources. Any fine revenue is assumed to be minimal.

The Maryland Environmental Service (MES) is responsible for the disposal and storage of deicing chemicals for Baltimore-Washington International Airport. It is assumed that compiling the reports required by the bill could be handled with the existing resources of MES and any other affected State agency.

Local Effect: Local governments could incur increased expenditures as a result of the bill. Municipal airports and vehicle maintenance facilities would be required to submit annual reports on the purchase, usage, and storage of deicing chemicals. At this time it cannot be reliably estimated what the cost would be of implementing a program of this type. In addition, local governments could be liable for monetary fines for noncompliance. However, until MDE promulgates regulations setting the amount of the applicable fines, any increase in expenditures due to fines cannot be estimated at this time.

Small Business Effect: Small businesses that are involved as contractors for airports or other facilities that use deicing chemicals would be impacted by the bill's reporting requirements. At this time, it cannot be reliably estimated as to the number of additional staff hours that would be required to process the necessary reporting information. In addition, these businesses could be liable for monetary fines for noncompliance.

Information Source(s): Maryland Department of the Environment; Maryland Environmental Service; Maryland Department of Transportation (Maryland Aviation Administration); Department of Legislative Services

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Analysis by:Mike SanelliReviewed by:John Rixey

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Direct Inquiries to: John Rixey, Coordinating Analyst (410) 841-3710 (301) 858-3710