

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 232 (Delegate Hixson) (Bv Request)

Environmental Matters

Maryland Clean Air Fund - Reimbursement for Legal Expenses

This bill alters the permissible uses of the Maryland Clean Air Fund by requiring the Maryland Department of Environment (MDE) to use the fund to provide a reimbursement to a “qualified applicant” for legal expenses reasonably incurred in forcing the closing of a source that produced air pollution from illegal operations.

The bill sunsets at the end of September 30, 2001, or at the final reimbursement of a qualified applicant, whichever occurs later.

Fiscal Summary

State Effect: Potential increase in special fund expenditures beginning in FY 2001 to reimburse qualified applicants for legal expenses. The maximum reimbursement would be \$150,000 per applicant.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The bill defines a “qualified applicant” as an individual who: (1) expended personal moneys on legal expenses, on or after January 1, 1984, and on or before October 1, 2000, to force the closing of a source that produced air pollution from illegal operations; and (2) because of the individual’s personal or family history, suffered emotional or psychological trauma as a result of the production of the air pollution by the source. The bill specifies that MDE may not reimburse a qualified applicant in an amount greater than \$150,000. Reimbursements after September 30, 2001, are not permitted unless MDE signs a written agreement before that date to reimburse the applicant in annual installments. The bill

also requires MDE to notify the Department of Legislative Services on the date that it makes final reimbursement.

Current Law: All application fees, permit fees, renewal fees, and funds collected by MDE under its air pollution programs, including penalties and fines, are paid into the Maryland Clean Air Fund. MDE may use the fund only for activities related to identifying, monitoring, and regulating air pollution in the State and to provide grants to local governments to supplement funding for local air pollution programs.

State Expenditures: MDE reports that it does not know how many sources were forced to close between January 1, 1984, and October 1, 2000, due to violations of air pollution laws. MDE also advises that the number of qualified applicants and the extent to which those individuals incurred reasonable legal expenses in forcing a source to close is unknown. Depending on the number of applicants, MDE advises that additional resources may be needed to administer application and reimbursement activities. It is assumed that any such administrative expenditures would come out of the special fund. Because the increase in any administrative costs and the total amount of reimbursements that would be made are unknown, the increase in special fund expenditures cannot be reliably estimated at this time. In any event, the bill limits reimbursements to a maximum of \$150,000 per qualified applicant. MDE advises that the fiscal 1999 ending balance of the Maryland Clean Air Fund was approximately \$695,600.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Environment, Department of Legislative Services

Fiscal Note History: First Reader - February 8, 2000
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