

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE
Revised

House Bill 468

(Chairman, Environmental Matters Committee)
(Departmental – Agriculture)

Environmental Matters

Education, Health, and Environmental Affairs

Agriculture - Manure Transportation Pilot Project - Repeal of Termination Date

This departmental bill repeals the termination date of the Manure Transportation Pilot Project within the Maryland Department of Agriculture (MDA).

The bill takes effect June 1, 2002.

Fiscal Summary

State Effect: General fund expenditures for the Manure Transportation Pilot Project would continue. The FY 2003 budget includes \$251,670 in general funds for the program. Although not budgeted, special fund expenditures also will continue if the program receives matching funds from poultry processing companies. Future year finances cannot be reliably estimated at this time.

Local Effect: None.

Small Business Effect: MDA has determined that this bill will have a meaningful impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: The Manure Transportation Pilot Project sunsets on June 30, 2002.

Background: The Water Quality Improvement Act (WQIA) of 1998 (Chapters 324 and 325), which requires farmers to meet various deadlines for the development and

implementation of nutrient management plans, also established the Poultry Litter Transportation Pilot Project. The four-year pilot project was originally established to assist with the cost of relocating poultry litter from farms producing excess litter or having phosphorus-rich soils to areas where poultry litter could be more effectively used. The program reimburses farmers for specified costs, including loading and hauling manure. Chapter 485 of 2000 expanded the pilot project to include other types of animal manure.

Under the WQIA, the Nutrient Management Advisory Committee (NMAC) is required to annually report to the Governor and the General Assembly on implementation issues of the WQIA including the effectiveness of the pilot project and the potential impact on farmers if the program is terminated. For the last two years, NMAC has recommended the extension of the pilot program through at least fiscal 2006. According to NMAC, the program is needed to assist farmers with the implementation of phosphorus-based nutrient management plans. Under the WQIA, the deadline for the implementation of those plans is July 1, 2005.

State Fiscal Effect: General fund expenditures for the Manure Transportation Pilot Project would continue beyond fiscal 2002. The fiscal 2003 budget includes \$251,670 in general funds for the program. Although the budget does not include any special funds for the program, to the extent poultry litter is transported under the program, special fund revenues in matching funds from poultry processing companies will continue, as will special fund expenditures. Future year finances cannot be reliably estimated at this time.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 8, 2002
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