

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE

Senate Bill 382 (Senators Della and Jimeno)
Education, Health, and Environmental Affairs

Ambient Air Quality Control Permit - Rendering Facility - Prohibited Location

This bill prohibits the Maryland Department of the Environment (MDE) from issuing an ambient air quality control permit for the construction or operation of a rendering facility if the facility site is located within a two-mile radius of the boundary of a municipal corporation or any other area that is zoned for residential use.

Fiscal Summary

State Effect: Minimal decrease in special fund revenues from permit fees that would otherwise be collected. The bill would not materially affect State expenditures.

Local Effect: The bill is not anticipated to have a significant impact on local finances.

Small Business Effect: Potential meaningful.

Analysis

Current Law: In general, a person is required to obtain a permit from MDE before constructing, modifying, operating, or using a source that may cause or control emissions into the air. Before accepting an application for a permit to construct specified sources, MDE must require the applicant to submit documentation that the proposal has been approved by the local jurisdiction for all zoning and land use requirements or that the source meets all applicable zoning and land use requirements. By regulation, MDE must require and collect a fee for each permit issued. The fee may not exceed \$25 per ton of regulated emissions or \$200,000 for any single source. Fees are paid into the Clean Air Fund.

Background: Use of rendering services recycles the nutrients contained in dead animals, most often as an ingredient in animal food. The primary disadvantage of rendering is that

the dead animals must be preserved or promptly transported to a rendering facility. This disadvantage has been intensified in recent years by a reduction in the number of operating rendering facilities.

According to MDE, there is currently one operating rendering facility in the State. The facility, which is located in Dorchester County, is within a two-mile radius of a residentially-zoned area. MDE advises that the facility has an operating permit that is subject to five-year renewals; the current permit will expire on October 31, 2008. A facility in Baltimore City has a permit application pending with MDE which would enable it to install the equipment necessary to resume operation; the facility is not currently operating because it sustained significant fire damage in 2002. According to MDE, when the facility was operating, it received several odor complaints.

State Revenues: Special fund revenues could decrease minimally from any annual operating fees that otherwise would have been collected by MDE. According to MDE, the annual operating fee for the Dorchester County facility is currently \$3,200. Under this bill, MDE would be prohibited from renewing the facility's permit when it expires on October 31, 2008. The annual operating fee for the Baltimore City facility, prior to the fire, was \$1,148. Under the bill, MDE would be prohibited from issuing a permit to this facility.

Small Business Effect: According to Dorchester County, the affected rendering facility in that county currently employs about 45 people. Prohibiting the issuance of future operating permits would shut down the operation of the facility as of October 31, 2008. This could have a negative impact on small businesses in the immediate area as well as on any small business that relies on the facility's services. Any such impact cannot be reliably estimated at this time.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of the Environment, Dorchester County, Baltimore City, Department of Legislative Services

Fiscal Note History: First Reader - March 9, 2004
ncs/ljm

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