Department of Legislative Services Maryland General Assembly 2006 Session

FISCAL AND POLICY NOTE

House Bill 222 Environmental Matters (Delegate Sossi, et al.)

Education, Health, and Environmental Affairs

Agriculture - Commercial Fertilizer - Required Signage at Retail Outlets

This bill requires any retail outlet distributing commercial fertilizer in bags weighing 50 pounds or more to prominently display a sign that advises customers that (1) overuse of commercial fertilizers damages State waters, including the Chesapeake Bay; and (2) customers concerned with protecting and restoring the health of the Chesapeake Bay and other State waters should, before using a commercial fertilizer, receive a chemical analysis of the soil to be fertilized from a soil-testing laboratory.

The Maryland Department of Agriculture (MDA) is required to develop and make available at no cost to an affected retailer a sign that meets the requirements of the bill.

Fiscal Summary

State Effect: Minimal special fund expenditures associated with the implementation of the bill could be absorbed within currently budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Each brand and grade of commercial fertilizer distributed in the State is required to be accompanied by a legible label bearing the following information: (1) the net weight; (2) the brand and grade under which the commercial fertilizer is distributed; (3) the guaranteed analysis giving the minimum percentage of every plant nutrient

claimed to be contained in the fertilizer; and (4) the name and address of the manufacturer.

Background: The Chesapeake Bay is America's largest and most productive estuary with 6,000 miles of shoreline and the ability to produce over half a billion pounds of seafood each year. By the early 1980s, however, it became clear that the quality and productivity of the bay was in serious decline. In response to this trend, in 1983, the bay states of Virginia, Maryland, and Pennsylvania; the District of Columbia; the Chesapeake Bay Commission; and the federal government signed the first Bay Agreement, which set out a list of broad objectives for bay restoration. A more aggressive agreement was signed in 1987; but, by the end of the 1990s, the bay was still in decline. In 1999, the U.S. Environmental Protection Agency (EPA) identified the bay as an impaired water body. In 2000, the Chesapeake Bay partners negotiated the Chesapeake Bay 2000 Agreement (C2K), which laid out a new framework of bold restoration goals.

As part of C2K, specific pollution reduction goals have been allocated to the various bay states. Maryland's reduction goals and progress are summarized in Exhibit 1. In 2003 Maryland's contribution to the total pollutant load entering the bay watershed was 21% of the nitrogen loads and 20% of the phosphorous and sediment loads. The largest source of Maryland's nutrient and sediment pollution is agriculture, followed by point sources, and then urban/suburban lands.

Exhibit 1 Maryland's Chesapeake Bay Pollution Reduction Goals			
Pollutant	<u>1985 Loads</u>	2003 Loads	<u>2010 Goal</u>
Nitrogen (million lbs/year)	82.4	57.7	37.3
Phosphorus (million lbs/year)	6.8	3.8	2.9
Sediment (million tons/year)	1.3	1.0	0.7
Source: U.S. EPA's Chesapeake Bay Program			

State Fiscal Effect: MDA advises that it would notify commercial fertilizer distributors and retailers of the requirements of the bill. This would require a mailing to approximately 2,500 locations. As a result, special fund expenditures would increase by \$975 (2,500 x \$0.39) in fiscal 2007. MDA has advised that it plans to make the required sign available for download from the department's web site and will also distribute signs during regular inspections. The Department of Legislative Services advises that these expenses could likely be absorbed within MDA's currently budgeted resources.

MDA currently conducts inspections of commercial fertilizer retailers and would check for compliance with requirements of the bill as part of the inspection process.

Additional Information

Prior Introductions: This bill is identical to HB 1051 of 2005 as amended by the House of Delegates. It received an unfavorable report from the Education, Health, and Environmental Affairs Committee.

Cross File: None.

Information Source(s): Maryland Department of Agriculture, Office of the Attorney General (Consumer Protection), Department of Legislative Services

Fiscal Note History: First Reader - February 6, 2006 ncs/ljm

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