

HOUSE BILL 1218

M3

71r0079

By: **Chair, Environmental Matters Committee (By Request – Departmental – Environment)**

Introduced and read first time: February 21, 2007

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Clean Air Fund – Permit Fees**

3 FOR the purpose of repealing certain limits on the amount of certain permit fees,
4 established by regulation by the Department of the Environment, for certain
5 sources of air pollution; repealing the current limit on the amount of money that
6 can be maintained in the Clean Air Fund; and generally relating to permit fees
7 and the Clean Air Fund.

8 BY repealing and reenacting, with amendments,
9 Article – Environment
10 Section 2–107 and 2–403
11 Annotated Code of Maryland
12 (1996 Replacement Volume and 2006 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article – Environment**

16 2–107.

17 (a) There is a Maryland Clean Air Fund.

18 (b) All application fees, permit fees, renewal fees, and funds collected by the
19 Department under this title or Title 6, Subtitle 4 of this article, including any civil or

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 administrative penalty or any fine imposed by a court under these provisions, shall be
2 paid into the Maryland Clean Air Fund.

3 (c) (1) Subject to the appropriation process in the annual operating
4 budget, the Department shall use the Maryland Clean Air Fund for:

5 (i) Activities conducted under this title that are related to
6 identifying, monitoring, and regulating air pollution in this State, including program
7 development of these activities as provided in the State budget; and

8 (ii) Providing grants to local governments to supplement
9 funding for programs conducted by local governments that are consistent with this
10 title and the State program.

11 (2) Subject to Title 10, Subtitle 1 of the State Government Article
12 (Administrative Procedure Act – Regulations), the Department shall adopt rules and
13 regulations for the management and use of the money in the Fund.

14 (3) At the end of the fiscal year, the Department shall prepare an
15 annual report on the Maryland Clean Air Fund that includes an accounting of all
16 financial receipts and expenditures to and from the Fund and shall:

17 (i) Provide a copy of the report to the General Assembly, as
18 provided under § 2–1246 of the State Government Article; and

19 (ii) Upon request, make the report available to permit holders
20 under this title.

21 [(4) When the Fund equals or exceeds a maximum limit of \$750,000,
22 additional moneys received for the Fund by the Department shall be deposited to the
23 General Fund.]

24 2–403.

25 (a) (1) The Department, by regulation, shall require and collect a fee for
26 each permit issued under § 2–401 of this subtitle.

27 (2) In adopting the regulations under this section, the Department
28 shall consult with industry to determine that the permit fee is reasonable and directly
29 related to the actual cost of the permitting and regulatory activity, and does not exceed
30 a certain dollar amount.

1 (b) (1) The amount of the fees shall cover:

2 (i) The reasonable cost of reviewing and acting on the
3 application for the permits;

4 (ii) The reasonable costs incurred in implementing and
5 enforcing the terms and conditions of the permits, exclusive of any court costs or other
6 costs associated with any enforcement actions; and

7 (iii) The costs identified in § 502(b)(3) of the Clean Air Act
8 Amendments of 1990.

9 (2) Fees assessed and collected under this section shall be used
10 exclusively for the development and administration of the permit program under this
11 subtitle.

12 [(c) (1) The fee established under this section may not exceed:

13 (i) For calendar year 1993, \$15 per ton of regulated emissions;

14 (ii) For calendar year 1994, \$18 per ton of regulated emissions;

15 (iii) For calendar year 1995, \$20 per ton of regulated emissions;

16 and

17 (iv) For calendar year 1996 and each calendar year thereafter,
18 \$25 per ton of regulated emissions.

19 (2) The fee established under this section may not exceed, for any
20 single source, \$200,000.

21 (3) For purposes of this section, starting in calendar year 1997, the
22 dollar amounts used in this section may be adjusted to reflect changes in the
23 Consumer Price Index, as authorized by 40 CFR Part 70 (Operating Permit Program).]

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 2007.