

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE

Senate Bill 174

(Senator Edwards)

Education, Health, and Environmental Affairs

Environmental Matters

Environment - Mining - Security

This bill expands the pool of financial institutions from which the Maryland Department of the Environment (MDE) may accept specified financial instruments for strip, deep, or surface mining operations.

Fiscal Summary

State Effect: The bill would not materially affect State operations or finances.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: Current law requires operators of permitted strip, deep, and surface mining operations to file a bond for performance with MDE. Depending on the type of permit, instead of a corporate surety, several other specified financial instruments, such as a deposit of cash or negotiable bonds, a certificate of deposit, or an irrevocable letter of credit, are acceptable. With respect to certificates of deposits and irrevocable letters of credit, they generally must be issued by a financial institution, bank, or federal credit union located in the State.

Background: Because current law limits the issuance of certain financial instruments to financial institutions that are located in the State, institutions that are authorized to do business in the State but are not located in the State, are unable to provide this service.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 7, 2007
ncs/ljm

Analysis by: Lesley G. Cook

Direct Inquiries to:
(410) 946-5510
(301) 970-5510