

Department of Legislative Services
 Maryland General Assembly
 2008 Session

FISCAL AND POLICY NOTE
Revised

House Bill 501

(Anne Arundel County Delegation)

Environmental Matters

Education, Health, and Environmental Affairs

Anne Arundel County - Environmental Health Monitoring - Reimbursement of Costs

This bill requires the Maryland Department of the Environment to reimburse Anne Arundel County for specified costs incurred by the county in conducting environmental health monitoring or testing related to a violation of the Environment Article on a licensed or permitted property. Reimbursement is required only if a fine is collected and may not exceed the amount of the fine.

The bill takes effect June 1, 2008. It applies retroactively only to specified costs incurred by the county between October 2006 and April 2007 for the testing and monitoring of well water in the vicinity of the Gambrills fly ash disposal site.

Fiscal Summary

State Effect: Although a reliable estimate of future reimbursements cannot be made, based on the retroactive application of the bill, MDE's special fund expenditures would increase by an estimated \$104,000 in FY 2009 to reimburse Anne Arundel County.

(in dollars)	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	104,000	-	-	-	-
Net Effect	(\$104,000)	\$0	\$0	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: Although a reliable estimate of future reimbursements cannot be made, based on the retroactive application of the bill, Anne Arundel County would be reimbursed \$104,000 by MDE.

Small Business Effect: None.

Analysis

Current Law: MDE issues various permits and licenses pursuant to the Environment Article. While numerous provisions may provide for a fine to be collected as a result of a violation, no provisions exist that require MDE to reimburse Anne Arundel County or any other county for monitoring/testing costs incurred as a result of such violations.

Background: On October 1, 2007, MDE filed a consent order in Anne Arundel County Circuit Court to settle the ongoing environmental enforcement action taken against BBSS, Inc. and Constellation Power Source Generation, Inc. for contamination of public drinking water wells in the vicinity of BBSS' Gambrills sand and gravel mine. Among other things, the consent order requires the facility owners and operators to pay a civil penalty of \$1 million. Anne Arundel County advises that it spent approximately \$104,000 in response to groundwater contamination resulting from that site.

State/Local Fiscal Effect: Because future violations and associated costs cannot be predicted, a reliable estimate of the bill's overall impact on the State and on Anne Arundel County cannot be made. However, the bill applies *retroactively* to costs incurred by the county between October 2006 and April 2007 for the testing and monitoring of well water for 83 homes and businesses in the vicinity of the Gambrills fly ash disposal site owned by BBSS, Inc. Anne Arundel County advises that it spent approximately \$104,000 on such activities. Accordingly, based on the retroactive application of the bill only, MDE's special fund expenditures from the Maryland Clean Water Fund would increase by \$104,000 to reimburse Anne Arundel County.

Additional Information

Prior Introductions: None.

Cross File: SB 398 (Senator Astle) – Education, Health, and Environmental Affairs.

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

Fiscal Note History: First Reader - February 14, 2008
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