

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

House Bill 434 (Delegate Riley, *et al.*)
Environmental Matters

State Parklands - Lease to Sewage Sludge Application Companies - Prohibition

This bill prohibits the Department of Natural Resources from leasing any parklands under its jurisdiction and control to a company engaged in the land application of sewage sludge that intends to apply sewage sludge to the leased property. DNR is also prohibited from leasing any parklands to an employee, agent, or servant of any such company.

Fiscal Summary

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

Local Effect: Although sewage sludge application companies receive their sludge from local wastewater treatment plants, the bill is not anticipated to have a significant impact on local operations or finances.

Small Business Effect: Minimal. Most property to which sewage sludge is applied is not State parkland and is owned or leased by a farmer or other landowner not employed by a sewage sludge application company.

Analysis

Current Law: The Maryland Department of the Environment is the primary State agency that regulates sewage sludge utilization. A sewage sludge utilization permit is required for any person who collects, incinerates, stores, treats, applies to land, transports, or disposes of sewage sludge or septage in Maryland. A separate permit is required for each site.

Sewage sludge is subject to both State and federal regulations. At the State level, agricultural use of Class B sewage sludge (which meets standards for metal concentrations and has been treated by a federally approved Procedure to Significantly Reduce Pathogens) is subject to both MDE permit requirements and the nutrient management regulations of the Maryland Department of Agriculture. MDE regulates the application of Class B sewage sludge through an individual permit required for those sites where sewage sludge is applied. Under State and federal regulations, Class A sewage sludge (which meets more stringent requirements for chemical content, pathogen reduction, and vector attraction) is allowed to be distributed to the public as fertilizer. MDE issues a permit to the distributor of Class A sewage sludge products but does not regulate sites where it is used.

Leases of State-owned property must be executed by a unit of State government and approved by the Secretary of General Services.

Background: Sewage sludge is one of the final products of the treatment of sewage at wastewater treatment plants. According to MDE, more than 700,000 wet tons of sewage sludge are generated in Maryland each year. In 2006, approximately 31% was applied to agricultural land; 41% was hauled out of State; 15% was distributed and marketed; and 13% was disposed of in landfills, applied to marginal land, or incinerated. According to MDE, about 40,000 acres statewide are currently permitted for the agricultural land application of sewage sludge. Less than 7% of that permitted acreage, however, is State land. According to DNR, 11 farmers on 21 leased sites covering approximately 2,400 acres in 7 counties are currently permitted to apply sewage sludge to land leased by DNR; this represents approximately 21% of cropland leased by DNR, excluding grazing land.

MDE advises that there was a recent case involving the application of sewage sludge at agronomic rates to leased State parkland in Harford County. Although the sewage sludge was derived from a local wastewater treatment plant and was applied correctly, concerns were raised by local residents when it became known that the leaseholder was a large sewage sludge application company (SYNAGRO). MDE advises that no nuisances or environmental issues developed; however, the public perception was that this created a situation that could involve the use of public land for private profit. Concern was also raised that after the application of Class B sewage sludge, the lessee is obligated to keep the public off the land for a 365-day period.

DNR advises that it does not lease land specifically for the application of sewage sludge, but that it does lease land to farmers, who may in turn apply sewage sludge to those lands as leaseholders. According to DNR, two sites in Susequehanna State Park are currently leased to SYNAGRO. DNR advises that those leases are standard cropland leases for

agricultural purposes. Although one of the sites was permitted for the application of sewage sludge by MDE, after those fields became a source of concern last summer, SYNAGRO decided not to move forward with sludge use. MDE advises that the permit has since been modified; no further sewage sludge may be applied on that site. The permit application for the other site was withdrawn. SYNAGRO will continue to farm the fields, as provided for under the existing cropland leases, but without the use of sewage sludge.

DNR advises that the two current leases to SYNAGRO are the only cropland leases that have been granted to a sewage sludge management company.

State Fiscal Effect: The bill would not prohibit the application of sewage sludge to State parkland but would require that any parkland leased where sewage sludge is applied be under the control of a farmer or other entity not employed by a sewage sludge application company. Because most property to which sewage sludge is applied is not State parkland and is owned or leased by a farmer or other landowner not employed by a sewage sludge application company, the bill's changes are not anticipated to have a significant impact on MDE's sewage sludge utilization program or DNR's lease program.

Additional Information

Prior Introductions: None.

Cross File: SB 261 (Senators Glassman and Jacobs) – Education, Health, and Environmental Affairs.

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

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