

Department of Legislative Services  
 Maryland General Assembly  
 2009 Session

FISCAL AND POLICY NOTE

House Bill 395 (Delegate Hubbard, *et al.*)  
 Environmental Matters

Environment - Ammonia Emissions from Animal Waste on Poultry Farms - Reporting

This bill requires poultry farms to submit a report to the Maryland Department of the Environment (MDE) every six months on ammonia emissions from animal waste. MDE is required to make these reports available to the public.

Fiscal Summary

**State Effect:** General fund expenditures at MDE increase by \$81,200 in FY 2010 and \$73,300 in FY 2014 for program administration. Future year expenditures reflect annualization and inflation. Revenues are not affected.

| (in dollars)   | FY 2010    | FY 2011    | FY 2012    | FY 2013    | FY 2014    |
|----------------|------------|------------|------------|------------|------------|
| Revenues       | \$0        | \$0        | \$0        | \$0        | \$0        |
| GF Expenditure | 81,200     | 63,600     | 66,700     | 69,900     | 73,300     |
| Net Effect     | (\$81,200) | (\$63,600) | (\$66,700) | (\$69,900) | (\$73,300) |

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

**Local Effect:** None.

**Small Business Effect:** Meaningful.

Analysis

**Bill Summary:** “Poultry” includes laying hens, broilers, chickens, turkeys, and ducks; “animal waste” includes manure, feces, urine, digestive emission, and urea; and “poultry farm” includes facilities that produce and sell \$1,000 or more in poultry products or shell eggs annually.

The report must contain the daily average ammonia emissions from animal waste for the preceding six months or the daily average number of poultry at the poultry farm for the preceding six months; the address of the poultry farm; and any other information related to ammonia emissions from poultry animal waste that the Secretary of the Environment requires.

The bill does not relieve poultry farms from local ordinances or federal law, including the Emergency Planning and Community Right-to-Know Act (EPCRA).

**Current Law/Background:** Human exposure to ammonia leads to respiratory problems, nasal and eye irritation, and, in large amounts, death. Studies of large contained animal feeding operations indicate that the concentration of ammonia in barns can exceed workplace exposure limits set by the U.S. Occupational Safety and Health Administration.

EPCRA establishes requirements for federal, state, and local governments and industry regarding emergency planning and reporting on hazardous and toxic chemicals. The reporting provisions seek to increase the public's knowledge and access to information on the presence of hazardous chemicals and releases of these chemicals into the environment. EPCRA requires annual submission of chemical inventory data (known as Tier II reports) by facilities to state and local planning officials for incorporation into ongoing emergency planning. It also requires facilities to quantify and submit annual releases of certain chemicals for incorporation into a national database known as the Toxics Release Inventory.

Several changes to EPCRA regulations became effective in December 2008. These changes pertain to the release of hazardous substances, generally ammonia and hydrogen sulfide, from animal waste at farms. The regulations identify specified animal number thresholds for reporting information and require notification by farmers unless they can demonstrate the release of less than 100 pounds of ammonia or hydrogen sulfide. The regulations are specific to air and farm animal waste.

**State Fiscal Effect:** Currently, approximately 200 larger poultry farms are required to submit an annual report on their animal waste emissions. The bill extends reporting requirements to approximately 800 additional poultry farms, a four-fold increase. It also requires two instead of one report annually from all poultry farms.

General fund expenditures increase by \$81,226 in fiscal 2010, which accounts for the bill's October 1, 2009 effective date. This estimate reflects the cost of hiring one natural resources planner to process, maintain, and track the additional reports. It includes a

salary, fringe benefits, one-time start-up costs, database development, and ongoing operating expenses.

|   |                 |
|---|-----------------|
| Position                                | 1               |
| Salary and Fringe Benefits              | \$44,776        |
| Database Development                    | 30,000          |
| Equipment and Operating Expenses        | <u>6,450</u>    |
| <b>Total FY 2010 State Expenditures</b> | <b>\$81,226</b> |

Future year expenditures reflect a full salary with 4.4% annual increases, 3.0% employee turnover, and 1.0% annual increases in ongoing operating expenses.

**Small Business Effect:** Since most poultry farms are small businesses, extending reporting requirements to 800 additional farms and increasing the frequency of reporting for all affected farms results in a workload increase.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Department of the Environment, U.S. Environmental Protection Agency, Department of Legislative Services

**Fiscal Note History:** First Reader - February 10, 2009  
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