

# SENATE BILL 428

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By: **Senators Glassman, Garagiola, Jennings, Klausmeier, and Middleton**

Introduced and read first time: February 2, 2012

Assigned to: Education, Health, and Environmental Affairs

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## A BILL ENTITLED

1 AN ACT concerning

2 **Commission to Study Expanding the Voluntary Agricultural Nutrient Credit**  
3 **Certification Program**

4 FOR the purpose of establishing a Commission to Study Expanding the Voluntary  
5 Agricultural Nutrient Credit Certification Program; specifying the membership,  
6 purposes, and staffing of the Commission; prohibiting a member of the  
7 Commission from receiving certain compensation, but authorizing the  
8 reimbursement of certain expenses; requiring the Commission to study and  
9 make recommendations regarding certain matters relating to TMDL (Total  
10 Maximum Daily Load) purchase agreements; requiring the Commission to  
11 report to the Governor and the General Assembly on or before a certain date;  
12 providing for the termination of this Act; and generally relating to the  
13 Commission to Study Expanding the Voluntary Agricultural Nutrient Credit  
14 Certification Program.

15 Preamble

16 WHEREAS, The Maryland Department of Agriculture operates the Voluntary  
17 Agricultural Nutrient Credit Certification Program to facilitate the sale of credits  
18 among entities within the State; and

19 WHEREAS, The Program is designed to certify credits for sale after a baseline  
20 TMDL (Total Maximum Daily Load) Watershed Implementation Plan (WIP) goal has  
21 been met by a credit-generating entity; and

22 WHEREAS, The cost of implementing conservation practices to meet the WIP  
23 goal is very high for both agricultural producers and county and municipal  
24 governments; and

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 WHEREAS, Other states in the Chesapeake Bay watershed are using nutrient  
2 credit trading programs to help entities achieve baseline goals while generating usable  
3 credits for a buyer; now, therefore,

4 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
5 MARYLAND, That:

6 (a) There is a Commission to Study Expanding the Voluntary Agricultural  
7 Nutrient Credit Certification Program to allow trading credits prior to achieving the  
8 WIP baseline goal.

9 (b) (1) The Commission consists of the following members:

10 (i) one member of the Senate of Maryland, appointed by the  
11 President of the Senate;

12 (ii) one member of the House of Delegates, appointed by the  
13 Speaker of the House;

14 (iii) the Secretary of Agriculture, or the Secretary's designee;

15 (iv) the Executive Director of the Maryland Association of  
16 Counties, or the Executive Director's designee;

17 (v) the Executive Director of the Maryland Municipal League,  
18 or the Executive Director's designee; and

19 (vi) the following individuals, appointed by the Governor:

20 1. a representative of the agriculture community;

21 2. a representative of the environmental community;  
22 and

23 3. a representative of the soil conservation districts.

24 (2) The Governor shall invite the Administrator of the U.S.  
25 Environmental Protection Agency, or the Administrator's designee, to serve on the  
26 Commission.

27 (c) The Governor shall designate the chair of the Commission from its  
28 membership.

29 (d) The Department of Agriculture shall provide staff support for the  
30 Commission.

31 (e) A member of the Commission:

1           (1)     may not receive compensation as a member of the Commission; but

2           (2)     is entitled to reimbursement for expenses under the Standard  
3 State Travel Regulations, as provided in the State budget.

4           (f)     The Commission shall:

5           (1)     study the feasibility of expanding the program to allow:

6                   (i)     agricultural operations to receive payment for nitrogen  
7 reduction in order to assist with achieving baseline goals; and

8                   (ii)    local governments, municipalities, private industry, and  
9 other entities to receive credits for TMDL (Total Maximum Daily Load) purchase  
10 agreements that may be put towards the entity's nitrogen reduction goals; and

11          (2)     make recommendations regarding a trade ratio that achieves more  
12 nutrient reduction from an agricultural operation than from the credits generated by  
13 the purchasing entity.

14          (g)     On or before December 31, 2012, the Commission shall report its  
15 recommendations to the Governor and, in accordance with § 2-1246 of the State  
16 Government Article, the General Assembly.

17          SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
18 June 1, 2012. It shall remain effective for a period of 1 year and, at the end of May 31,  
19 2013, with no further action required by the General Assembly, this Act shall be  
20 abrogated and of no further force and effect.