Department of Legislative Services

Maryland General Assembly 2022 Session

FISCAL AND POLICY NOTE First Reader

House Bill 621 (Delegate Grammer)

Environment and Transportation

Sewage Treatment Plants - Effluent Discharges - Monitoring, Evaluation, and Inspection

This bill requires the Maryland Department of the Environment (MDE) to (1) monitor effluent discharged from sewage treatment plants (commonly referred to as wastewater treatment plants (WWTPs)); (2) evaluate whether the effluent and any nutrients in the effluent impact midge populations in the surrounding land and water areas, including whether the effluent contributes to the growth of phytoplankton; and (3) upon certain findings by MDE, hire an inspector that must stay on site at the affected WWTP for at least 180 days and until certain conditions are met, as specified. By October 1 each year, beginning in 2023, MDE must report to the General Assembly on the activities conducted in accordance with the bill. **The bill takes effect June 1, 2022.**

Fiscal Summary

State Effect: General fund expenditures increase *significantly* beginning in FY 2023. Although a reliable estimate of the increase in costs cannot be made at this time, general fund expenditures likely increase by millions of dollars annually, as discussed below. State revenues are not directly affected.

Local Effect: None. Local government finances are not directly affected.

Small Business Effect: Minimal or none.

Analysis

Bill Summary: MDE must hire an inspector for any WWTP that MDE finds has (within the last 24 months) (1) released effluents beyond the limits of the plant's discharge permit;

(2) failed to maintain basic operation and maintenance of the plant; or (3) for a WWTP plant that requires a wastewater capacity plan, failed to submit an updated wastewater capacity plan to MDE.

The inspector must remain on site at the WWTP until (1) discharge monitoring reports show that effluent released from the WWTP has been within the scope of the plant's discharge permit for 180 days; (2) the WWTP is in compliance with basic operation and maintenance requirements; and (3) for a WWTP that requires a wastewater capacity plan, an updated plan has been submitted to MDE.

Current Law: MDE's Wastewater Permits Program (WWPP), within the Water Management Administration, issues permits to protect Maryland's water resources by controlling industrial and municipal wastewater discharges. Surface water discharges are regulated through combined State and federal permits under the National Pollutant Discharge Elimination System. Groundwater discharges are regulated through State issued groundwater discharge permits. Also related to the protection of groundwater is the WWPP coordination with all local health departments for the regulation of individual wells and septic systems.

A wastewater capacity management plan is a planning and engineering tool used to monitor the relationship between plant capacity and population/economic growth. It contains information on sewage system capacity and capacity demand created by existing and ongoing growth and development. Section 9-512 of the Environment Article requires State and municipal permit issuance authorities to ensure there is adequate sewer capacity before issuing building permits or approving subdivision plats.

MDE is not required to monitor effluent discharged from WWTPs with respect to any impact the effluent may have on midge populations.

State Expenditures: General fund expenditures for MDE increase significantly, on an ongoing basis, beginning in fiscal 2023 to hire (1) one natural resources planner to take water samples and monitor sites for impacts on midge populations, conduct analyses, and write the required annual report; (2) numerous inspectors to fulfill the bill's requirement that MDE hire an inspector to remain on site at an affected WWTP until certain conditions are met (but for at least 180 days); and (3) several program managers to supervise the new inspectors. This analysis assumes that although the bill takes effect June 1, 2022, there is no impact in fiscal 2022.

MDE advises that there are 228 municipal WWTPs that have reported effluent violations in the last two years. MDE notes that none of these facilities met the criteria for significant noncompliance, but under the bill, there is no distinction with respect to the severity of any release of effluents beyond the limit of a WWTP's discharge permit. MDE estimates that

2.1 inspectors are needed to provide full-time coverage at an affected WWTP. Using the aforementioned violation data as a basis, to cover all 228 sites, MDE estimates the department needs to hire 474 inspectors, 59 program managers, and 1 natural resources planner at a total cost of \$35.2 million in fiscal 2023 (which assumes an implementation date of October 1, 2022), increasing to \$45.0 million by fiscal 2027. The Department of Legislative Services (DLS) cannot independently verify this estimate at this time and notes that, ultimately, the number of inspectors needed depends on how many WWTPs trigger the bill's enhanced inspection requirements, which cannot be predicted in advance. DLS concurs, however, that the bill establishes significant new responsibilities for MDE and likely requires the department to hire hundreds of staff on an ongoing basis.

Additional Information

Prior Introductions: HB 267 of 2021, a bill with similar provisions, passed the House with amendments and received a hearing in the Senate Education, Health, and Environmental Affairs Committee, but no further action was taken. HB 836 of 2020, another bill with similar provisions, passed the House and was referred to the Senate Education, Health, and Environmental Affairs Committee, but no further action was taken.

Designated Cross File: None.

Information Source(s): Maryland Environmental Service; Anne Arundel, Baltimore, Charles, Frederick, and Somerset counties; City of Havre de Grace; Maryland Department of the Environment; Department of Legislative Services

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