Department of Legislative Services

Maryland General Assembly 2025 Session

FISCAL AND POLICY NOTE First Reader

House Bill 1360 (Delegate Qi, et al.)

Environment and Transportation

Environment - Road Salt - Outdoor Storage

This bill prohibits a person from storing road salt uncovered outdoors and requires the Maryland Department of the Environment (MDE) to adopt regulations to establish (1) proper outdoor storage requirements for road salt and (2) penalties and remediation requirements for failure to comply with the regulations. A person who stores road salt outdoors must ensure that the storage is compliant with those regulations. A county stormwater management authority must enforce the bill's provisions in coordination with MDE. The bill's provisions do not apply to an entity covered by a salt management plan under a federal permit. In addition, nothing in the bill must be construed to alter, preempt, or otherwise relieve liability for the discharge of road salt into the waters of the State or the State's enforcement authority under the federal Clean Water Act (CWA).

Fiscal Summary

State Effect: MDE anticipates that it can implement the bill with existing budgeted resources, as discussed below. State expenditures (multiple fund types) may increase beginning in FY 2026 for some State agencies, as discussed below. Any penalties collected pursuant to the regulations adopted by MDE are not anticipated to materially affect State revenues.

Local Effect: Local government expenditures may increase beginning in FY 2026 to enforce the bill and to comply with the requirements for outdoor road salt storage established by regulation. Local revenues may increase to the extent that counties are able to collect any penalties pursuant to the regulations adopted by MDE. **This bill may impose a mandate on a unit of local government.**

Small Business Effect: Potential meaningful.

Analysis

Current Law:

State Highway Administration Best Practice Guidelines for Road Salt Management

The State Highway Administration (SHA) must annually update, and publish on its website, a best practices guidance document for use by local jurisdictions and the State to minimize the adverse environmental impacts of road salt runoff in the State. In the guidance document, SHA is authorized to:

- establish best management practices that protect the environment from the negative impacts of road salt;
- identify all activities that may result in the release of road salt into the environment;
- take into consideration highway safety to the greatest extent possible;
- establish standards and procedures for identifying areas that are particularly vulnerable to road salt runoff and additional road salt management practices that need to be implemented in those areas;
- establish goals for achieving a reduction of the environmental impact of road salt released into the environment;
- include a training program for all State, local, and contract personnel who perform winter maintenance activities involving the use of road salt;
- establish response procedures to address uncontrolled releases of road salt that may adversely impact the environment; and
- establish recordkeeping and annual reporting procedures for the quantity of road salt used, the locations where the road salt is used, and any training conducted.

The current guidance, referred to as the <u>Maryland State Highway Administration – Salt Management Plan</u>, can be found on SHA's website and includes detailed information and data about the use of road salt by State and local agencies. It also includes guidance on salt storage.

Federal Clean Water Act and the National Pollutant Discharge Elimination System

CWA establishes the basic structure for regulating discharges of pollutants into the waters of the United States. The National Pollutant Discharge Elimination System (NPDES), a component of CWA, is a permit program that addresses water pollution by regulating point sources that discharge pollutants to U.S. waters. In Maryland, the U.S. Environmental Protection Agency delegates authority to issue NPDES permits to MDE. MDE's Water and Science Administration and Land and Materials Administration issue discharge permits to protect Maryland's water resources by controlling industrial and municipal wastewater HB 1360/ Page 2

discharges. Surface water discharges are regulated through combined State and federal permits under NPDES. Groundwater discharges are regulated through State-issued groundwater discharge permits. Industrial stormwater permits require site specific Stormwater Pollution Prevention Plans, which can incorporate standards for salt management, as appropriate.

Among other things, NPDES regulates stormwater discharges from municipal separate storm sewer systems (MS4s). There are 10 jurisdictions in Maryland that hold NPDES Phase I MS4 permits (Anne Arundel, Baltimore, Carroll, Charles, Frederick, Harford, Howard, Montgomery, and Prince George's counties and Baltimore City). Additionally, SHA holds a Phase I MS4 permit. According to MDE, salt management plans can be incorporated into MS4 permits.

State Expenditures: MDE anticipates that, assuming any MDE enforcement efforts are primarily complaint-based, it can develop regulations and implement the bill with existing staff.

As a user of road salt, some State agencies may be affected by the bill's changes. However, any impacts depend on current road salt storage practices and standards developed by MDE under the bill and cannot be reliably estimated at this time.

Capital costs related to road salt storage may increase in fiscal 2026 and/or 2027 for some State agencies to the extent that current salt storage facilities are inadequate and need to be upgraded to comply with the standards for outdoor storage adopted by MDE under the bill. Although the bill has no effect on total capital spending, which is established annually by the Governor and the General Assembly through the capital budget process, any increase in capital costs resulting from the bill reduces funding available for other capital projects.

State expenditures (multiple fund types) may increase beginning as early as fiscal 2026 for some State agencies to maintain their storage facilities in a manner that complies with any requirements adopted by MDE by regulation. In addition, State expenditures (multiple fund types) may increase beginning in fiscal 2026 for some State agencies that hire contractors for snow and ice management services to the extent that contractors incur additional costs to comply with the bill's requirements and pass those costs along to the State.

Information gleaned from a limited survey of potentially affected State agencies and institutions of higher education includes the following:

• the Maryland Department of Transportation and the Maryland Transportation Authority indicate that their salt storage is managed in accordance with a permit and that the bill is not anticipated to materially affect their operations or finances;

- the University of Maryland Baltimore County advises that it currently stores salt outdoors under cover, but that the cover is not an enclosed structure; to the extent that a salt barn or other similar storage structure is required, estimated costs total approximately \$28,000; and
- Towson University advises that its current salt storage facility is not adequately covered and anticipates that it incurs one-time costs of approximately \$150,000 to make improvements to its existing salt shed.

Local Fiscal Effect: County stormwater management authorities may incur costs beginning in fiscal 2026 to enforce the bill in coordination with MDE, although some counties may be able to do so with existing resources. For example, both Harford and Montgomery counties advise they can enforce the bill with existing resources. It is unclear whether counties are authorized to collect any penalties under the bill, but to the extent that they are, county revenues may increase due to the collection of penalties.

Similar to the impact described above for State agencies, local expenditures related to road salt storage may increase in fiscal 2026 and/or 2027 to the extent that existing salt storage facilities are inadequate and need to be upgraded to comply with the standards adopted under the bill. However, any impacts depend on current salt storage practices and the standards developed by MDE and cannot be reliably estimated at this time. Counties that operate under an MS4 permit may already have salt management plans incorporated into their permits; if so, the bill's provisions do not apply to them. Local governments could also incur ongoing maintenance costs as well as pass-through costs from contractors for snow and ice management.

Small Business Effect: Similar to the potential impacts on State agencies and local governments that store road salt, expenditures may increase for small businesses that store road salt outside in a manner that is not compliant with the requirements established by MDE by regulation. Ultimately, the magnitude of any such impact depends on current methods of road salt storage and the requirements adopted by MDE by regulation. Small businesses involved in the construction of salt storage facilities may benefit from an increase in the demand for their services.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Harford and Montgomery counties; Maryland Association of Counties; Maryland Municipal League; Judiciary (Administrative Office of the Courts); University System of Maryland; Morgan State University; Maryland Department of the Environment; Maryland Department of Transportation; Baltimore City Public Schools; Baltimore County Public Schools; Department of Legislative Services

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