

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 344

(Delegates Stein and Lehman)

Environment and Transportation

Education, Energy, and the Environment

**Maryland Environmental Service - Membership of Board of Directors -
Alterations**

This bill alters the composition of the Board of Directors of the Maryland Environmental Service (MES) by replacing the State Treasurer with the Secretary of Planning (or the Secretary's designee) and adding two nonvoting members – one member from each the Senate of Maryland and the House of Delegates. The bill also specifies that (1) certain provisions regarding the terms of board members do not apply to the Secretary of Planning, the Executive Director, or the legislative members and (2) the Secretary of Planning and the legislative members may not serve as the Secretary, Treasurer, or Chair of the Board.

The bill takes effect July 1, 2025.

Fiscal Summary

State Effect: The bill is not anticipated to materially affect State finances; however, the State Treasurer's Office experiences administrative efficiencies, which allows staff to redirect their time and resources to other duties. The Maryland Department of Planning (MDP) can handle the bill's requirements with existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: MES is an instrumentality of the State and a self-supporting, not-for-profit public corporation that serves State, local, and federal agencies and the private sector through designing, planning, financing, constructing, operating, and monitoring projects for water and wastewater treatment, solid waste management, composting, recycling,

dredged material management, hazardous materials cleanup, stormwater services, and renewable energy.

The MES Board of Directors is composed of the following eight members, seven of which are voting members, as the Executive Director does not vote: (1) the Executive Director; (2) the State Treasurer (or the State Treasurer's designee); (3) three members from the public sector in the State in positions responsible for environmental, water, wastewater, or solid waste management; (4) one member from the private sector in the State with technical, financial, development, or legal experience related to environmental, water, wastewater, or solid waste management; (5) one member from the private sector in the State with financial experience related to environmental, water, wastewater, or solid waste management; and (6) one member from the private sector in the State with experience or expertise in matters related to business ethics, as specified.

Five members of the board constitute a quorum, and five affirmative votes are necessary for any action taken by the board. The term of a member other than the State Treasurer is four years, and the terms of members other than the State Treasurer are staggered, as specified. The Executive Director and the State Treasurer may not serve as the Secretary, Treasurer, or Chair of the Board.

Additional Comments: According to MDP, the full board meets monthly, and there are two subcommittees which meet twice a year.

Additional Information

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

Designated Cross File: SB 315 (Senators Brooks and Kagan) - Education, Energy, and the Environment.

Information Source(s): Maryland Environmental Service; Maryland Department of Planning; Maryland State Treasurer's Office; Department of Legislative Services.

Fiscal Note History: First Reader - January 22, 2025

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