

HOUSE BILL 227

M3

(PRE-FILED)

6lr0056
CF SB 228

By: **Chair, Appropriations Committee (By Request – Departmental – Maryland Environmental Service)**

Requested: September 25, 2025

Introduced and read first time: January 14, 2026

Assigned to: Appropriations and Environment and Transportation

Committee Report: Favorable

House action: Adopted

Read second time: February 18, 2026

CHAPTER _____

1 AN ACT concerning

2 **Maryland Environmental Service – Authorizations and Requirements –**
3 **Alterations**

4 FOR the purpose of expanding the authority of the Treasurer of the Maryland
5 Environmental Service to delegate certain functions to the Deputy Treasurer of the
6 Service; increasing the threshold amount for estimated contract costs under which
7 the Service may use the small procurement process; altering the process for
8 providing notice of the establishment or adjustment of certain rates charged for
9 Service projects, products, or services; and generally relating to the Maryland
10 Environmental Service.

11 BY repealing and reenacting, without amendments,
12 Article – Natural Resources
13 Section 3–103(a) and (b)(1)
14 Annotated Code of Maryland
15 (2023 Replacement Volume and 2025 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Natural Resources
18 Section 3–103(e) and (g)(3) and 3–108(a)(4)
19 Annotated Code of Maryland
20 (2023 Replacement Volume and 2025 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
2 That the Laws of Maryland read as follows:

3 **Article – Natural Resources**

4 3–103.

5 (a) (1) There is a body politic and corporate known as the “Maryland
6 Environmental Service”.

7 (2) The Service is an instrumentality of the State and a public corporation
8 by that name, style, and title, and the exercise by the Service of the powers conferred by
9 this subtitle is the performance of an essential governmental function of the State.

10 (b) (1) There are four officers of the Service:

11 (i) An Executive Director;

12 (ii) A Deputy Director;

13 (iii) A Secretary; and

14 (iv) A Treasurer.

15 (e) (1) (i) The Treasurer shall:

16 1. Develop and maintain a detailed and accurate accounting
17 system for all financial transactions of the Service; and

18 2. Perform other duties relating to the financial affairs of the
19 Service as required by law or by a directive of the Board.

20 (ii) Unless any money of the Service is otherwise held by or payable
21 to a trustee appointed pursuant to a resolution authorizing the issuance of bonds or notes
22 or under a trust agreement securing the bonds or notes, the Treasurer shall:

23 1. Receive money of the Service until otherwise prescribed by
24 law; and

25 2. Deposit the money as soon as it is received to the credit of
26 the Service in any financial institution in which the State Treasurer is authorized to deposit
27 State funds.

28 (iii) The Treasurer shall disburse money for the purposes of the
29 Service according to law, only upon the Treasurer’s warrant.

1 (iv) The Treasurer shall make arrangements for the payment of the
2 interest on and principal of the Service debt.

3 (v) Upon entering the performance of official duties, the Treasurer
4 shall be covered by a surety bond or an insurance policy of the type and in the amount of
5 coverage determined by the State Treasurer under § 5–108 of the State Government Article.

6 (2) (i) With the approval of the Board, the Treasurer may authorize an
7 employee of the Service to serve as Deputy Treasurer and to [disburse money for the
8 purposes of the Service as provided by law, and] **PERFORM ANY OF THE FUNCTIONS SET**
9 **FORTH UNDER PARAGRAPH (1) OF THIS SUBSECTION**, subject to restrictions and other
10 conditions that the Treasurer establishes.

11 (ii) The Deputy Treasurer shall be covered by a surety bond or an
12 insurance policy of the type and in the amount of coverage determined by the State
13 Treasurer under § 5–108 of the State Government Article.

14 (g) (3) (i) Except as otherwise provided in this paragraph, all
15 procurements by the Service for materials, equipment, services, or supplies performed or
16 furnished in connection with the planning, development, design, equipping, construction,
17 or operation of any project owned or controlled by the Service, shall be awarded in
18 accordance with rules and regulations adopted pursuant to the Administrative Procedure
19 Act.

20 (ii) The Service may procure materials, equipment, services, or
21 supplies by utilizing:

- 22 1. Competitive sealed bids;
- 23 2. Competitive sealed proposals;
- 24 3. Sole source procurement;
- 25 4. Intergovernmental cooperative purchasing agreements;
- 26 5. A small procurement process, if the procurement is
27 estimated by the Service to result in an expenditure of [~~\$25,000~~] **\$50,000** or less;
- 28 6. An emergency procurement process, if the procurement is
29 necessary to avoid or to mitigate serious damage to public health, safety, or welfare; or
- 30 7. Pay-for-success contracting under § 13–228 of the State
31 Finance and Procurement Article.

32 3–108.

1 (a) (4) (i) [Before] **AT LEAST 60 DAYS BEFORE** establishing or adjusting
2 charges in a service district, the Service shall [publish notice] **NOTIFY THE RESIDENTS**
3 **OF THE SERVICE DISTRICT BY:**

4 1. **SUBJECT TO SUBPARAGRAPH (II) OF THIS**
5 **PARAGRAPH, PUBLISHING NOTICE** of the proposed charges, at least once a week for 2
6 weeks, in at least one newspaper of general circulation in the municipality in which the
7 service district is located and hold a public hearing on the proposed charges; **AND**

8 2. **USING ONE OR MORE OF THE FOLLOWING METHODS:**

9 **A. POSTING THE PROPOSED CHARGES ON THE**
10 **HOMEPAGE OF THE SERVICE WEBSITE FOR AT LEAST 2 CONSECUTIVE WEEKS;**

11 **B. IF THE SERVICE DISTRICT IS ALREADY ESTABLISHED**
12 **AND THERE IS A PROPOSED ADJUSTMENT TO CHARGES IN THE SERVICE DISTRICT,**
13 **SENDING AN E-MAIL OR A TEXT NOTIFICATION OF THE PROPOSED CHARGES AT**
14 **LEAST ONCE A WEEK FOR 2 CONSECUTIVE WEEKS TO ALL AFFECTED RATEPAYERS**
15 **WHO HAVE PROVIDED CONTACT INFORMATION; OR**

16 **C. PROVIDING NOTICE OF THE PROPOSED CHARGES BY**
17 **MAIL THROUGH THE UNITED STATES POSTAL SERVICE TO EACH AFFECTED**
18 **PROPERTY OWNER AND PHYSICAL ADDRESS AFFECTED.**

19 (ii) The published notice [shall be at least 1/4 page in size, and use
20 at least 18 point type. The notice may not be placed with legal notices or classified
21 advertisements. The headline of the notice shall be in bold print, with all letters capitalized.
22 The text of the notice, other than the headline, shall be in upper and lower case letters]
23 **UNDER SUBPARAGRAPH (I)1 OF THIS PARAGRAPH SHALL:**

24 1. **BE PLACED WITH LEGAL NOTICES;**

25 2. **HAVE THE HEADLINE OF THE NOTICE IN BOLD PRINT,**
26 **WITH ALL LETTERS CAPITALIZED; AND**

27 3. **HAVE THE TEXT OF THE NOTICE, OTHER THAN THE**
28 **HEADLINE, IN UPPER AND LOWER CASE LETTERS.**

29 (iii) The charges shall become effective on the date set by the Service.
30 The Service may, by resolution of the Board, provide that the charges are chargeable
31 against all or part of the lots or parcels of land in the service district and constitute a first
32 lien on such property. The resolution may establish reasonable times and methods of
33 collection of the charges, which may be levied and collected by the Service and have the
34 same priority and rights and bear the same interest and penalties and in every respect be

1 treated the same as taxes of the State. The charges may be levied and collected
2 notwithstanding the absence of a contract between the Service and the municipality,
3 person, or property against whom the charge is imposed.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2026.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.