



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

Charles Glass, Ph.D. ACTING DIRECTOR

February 3, 2021

The Honorable Maggie McIntosh
Chair, Appropriations Committee
House Office Building, Room 121
6 Bladen St., Annapolis, Maryland 21401

The Honorable Kumar P. Barve
Chairman, Environment and Transportation Committee
House Office Building, Room 251
6 Bladen St., Annapolis, Maryland 21401

Chairs McIntosh and Barve, and distinguished members of both Committees:

The Maryland Environmental Service (MES) supports House Bill 2, with amendments referred to below.

The Maryland Environmental Service was established by the General Assembly in 1970 as an instrumentality of the State to assist with the preservation, improvement, and management of the quality of air, land, water, and natural resources, and to promote the health and welfare of the citizens of our great State. Today, with over 800 employees, MES operates more than 1,000 environmental projects across Maryland and the Mid-Atlantic region. MES provides multi-disciplinary environmental compliance services to enhance and protect the environment through innovative solutions to the region's most complex environmental challenges. We combine public sector commitment with private sector flexibility and responsiveness. MES receives no direct operations funding from the state and does not have regulatory authority.

As the Acting Director appointed by Governor Hogan in June 2020, I can report to you today that the state of MES is strong, morale is up, and we are eager to accept challenges both new and old.

Governor Hogan, in December 2020, by Executive Order, created the State Transparency and Accountability Reform (STAR) Commission. This Commission is charged with reviewing and investigating the operations and structure of fourteen

different independent state agencies, including MES. Each of these entities is unique in their own way and was granted certain authorities by the General Assembly for specific reasons. Making significant changes to MES's statutory mission without a full understanding of the impacts could lead to serious unintended consequences.

MES proposes to retain parts of House Bill 2 that address the MES Board of Directors and strike all other provisions of the legislation. The two concepts in the bill that are most concerning, as introduced, are (1) the threshold of having the MES Board of Directors approve all expenses above \$25,000, and (2) the provision requiring Board of Public Works approval on all contracts not with State and local governments. These two provisions could seriously erode MES's statutory mission and flexibility to respond to important environmental projects. We urge the Committees to set these operational type reforms aside for the time being, and take a deeper more granular look at these kinds of changes over the interim.

With regard to the provisions in the bill that address the MES Board of Directors, MES looks forward to working with members of both Committees on areas where we can tighten and strengthen the Board's authority and independence from the Director. We see many areas of strength in House Bill 2 in this area: adding the State Treasurer to the Board; requiring stronger policies related to expenses, severance, compensation, travel; hiring a diversity officer; and a requirement for all members of the Board of Directors to undertake diversity and ethics training – these are all common sense items that should be immediately incorporated into MES's statutory framework.

We look forward to working with members of both Committees on this important legislation. Let the STAR Commission do the hard work of diving into details related to procurement and other complex operational areas.

MES urges a favorable report on House Bill 2 with amendments.

Dr. Charles C. Glass
Acting Director
Maryland Environmental Service