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*Legislative District 30*  
Anne Arundel County

Budget and Taxation Committee

*Subcommittees*

Education, Business and Administration

Chair, Pensions

*Senate Chair*

Joint Committee on Administrative,  
Executive, and Legislative Review

Joint Committee on the Chesapeake and  
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THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

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**Testimony in Favor of SB354**  
**Bay Restoration Fund - Intended Use Plans and Privately Owned Wastewater Facilities**

Chairman Pinsky, Vice-Chair Kagan, and members of the Education, Health, and Environmental Affairs Committee:

I respectfully request a favorable report of Senate Bill 354 to set forth more guardrails on the use of Bay Restoration Fund (BRF) dollars as well as create a more transparent process on the use of public BRF dollars in the future.

Last session, the Chair and I were – simply put – taken aback at the proposed use of \$13M dollars of public BRF dollars to support a private wastewater treatment plant. However, through the Operating Budget the General Assembly was able to lower the funding to that project to \$7,650,000 (roughly half) and through the BRFA we were able to codify that the BRF fund could be used to award grants for up to 50% of eligible costs for privately owned wastewater facilities.

This legislation builds on the BRFA and actions in the Budget last year to **further protect the public dollars in the BRF by:**

1. Ensuring that we are not awarding private facilities that fail to follow our water quality laws
2. Authorizing a 50% cost-share using BRF funds for small, independently owned wastewater systems that lack the financial capital to purchase the necessary upgrades to bring the facility into compliance with the Department's discharge permit.

**This legislation also creates more transparency throughout the entire BRF awarding process by:**

1. Requiring that in the annual report issued jointly by MDE and the Department of Planning on the use of BRF funding that there include a list of each privately owned wastewater facility that received funding.
2. Ensuring that MDE provides to the General Assembly a copy of each intended use plan that they submit to the EPA to request Federal Capitalization grants and awards for use in the Maryland Water Quality Revolving Loan Fund.
3. Requiring that when MDE submits its proposed operating budget to DBM that they disclose the list of privately owned wastewater facilities that it provided funding to in the previous year and

the reason why it provided funding - additionally it will require DBM to immediately provide this list to the General Assembly.

The BRF is a public fund – filled using taxpayer dollars. This legislation will ensure that the BRF is prioritizing strategic investments in our public infrastructure all while creating a process to ensure that privately owned facilities, that lack the necessary financial capital to bring their facilities into compliance, are still able to receive some funding from the BRF.

Once again I respectfully request a favorable report of SB354 to add additional transparency and further protect the BRF.