

## LEGISLATIVE POSITION: LETTER OF INFORMATION

House Bill 24

Environment - Impact of Environmental Permits and State Agency Actions House Environment and Transportation Committee Wednesday, February 21, 2024

Dear Chairman Korman and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 6,800 members and federated partners working to develop and promote strong public policy that ensures sustained economic growth and recovery for Maryland businesses, employees, and families.

House Bill 24 would require the Maryland Department of the Environment (MDE) to conduct a climate and environmental equity evaluation regarding the impact of issuing an approval for environmental permits, allowing MDE to deny or alter a decision, or amend the conditions under a pending permit. HB 24 would also require MDE to provide opportunities for residents to opt in to text, phone, email, or mail notifications regarding any facility with a pending or final permit approval. Additionally, this legislation allows MDE to charge a "reasonable fee" to cover implementation and administrative costs.

While the Chamber supports efforts to promote environmental equity and stewardship, we believe that certain provisions of the legislation would have disadvantageous effects on businesses across the state. Changes to the regulatory and permitting process must prioritize efficiency and reliability. Maryland already has long permit wait times compared to many other states. HB 24 requires additional reviews, which could lead to delays in permitting decisions. Businesses rely on timely permitting decisions to plan and execute projects, and prolonged delays could hinder economic growth and development in Maryland. We suggest outlining a defined timeline in the bill for MDE to inform the applicant of their decision.

The bill also allows MDE to consider "cumulative impacts" when conducting a climate and equity evaluation or a health impact assessment. This evaluation reaches beyond the impact of the permit itself and extends to how the permit could add to existing conditions. Additionally, the scope of the bill raises concerns for many industries as minor permits would be included, requiring them to go through an extended review process. It remains unclear whether MDE can adequately analyze the cumulative impacts as advocated for, given the broad range of permits covered. Moreover, there is uncertainty surrounding the definition of "new permits" and whether modifications to existing permits, such as expansions, would be considered as such. This lack of clarity could lead to confusion and inconsistency in the permitting process.

Lastly, HB 24 allows MDE to assess a "reasonable fee" to the permit applicant to fund the administration and implementation. What will MDE consider a reasonable fee? We suggest outlining the cost of the fee or setting a cap so potential permit applicants have clarity on the cost.

The Maryland Chamber of Commerce urges the committee to carefully consider the potential impacts on Maryland's business community and future economic development. We appreciate your consideration of these comments on HB 24.