## Testimony in support of SB0250.docx (1).pdf Uploaded by: Betsy Nicholas

Position: FAV



3070 M Street, NW Washington, DC 20007 202.888.2037 (main) www.prknetwork.org

### **Testimony in Support of SB0250 - Department of the Environment - Fees, Penalties, Funding, and Regulation** Hearing Date: Tuesday, February 11, 2025

Position: FAVORABLE

Dear Chair Feldman, Vice-Chair Kagan and members of the Education, Energy and the Environment Committee:

Thank you for the opportunity to submit comments on behalf of Potomac Riverkeeper Network **in favor of SB0250.** Our state is defined by the Chesapeake's waterways, which contribute significantly to our State's economy, and are a centerpiece of our culture and traditions in Maryland. Potomac Riverkeeper Network works to protect and restore the Potomac River, and the communities that depend on the River for their water, recreation, business, and homes while holding polluters accountable.

SB0250 will allow Maryland's Department of the Environment (MDE) to assign more appropriate fees when processing permits for on site wastewater systems, on legacy coal ash that has been disposed in landfills, better assess lead contamination risks in housing units, process first time applications for the Voluntary Cleanup Program, manage oil transfer licenses, and more. These alterations in fees will provide MDE more resources to more effectively complete their work, and add the necessary staff to achieve proper oversight of industries and activities that can have adverse effects on the environment and our waterways. **Importantly, the bill will help shift the cost of protecting the public from pollution to those who create the pollution and reduce the fiscal and economic burden on the public; this is a concept already enshrined in Maryland statute and the Department's own regulations, but that remains mostly unimplemented.** The Department itself noted in response to a JCR request last year that the declining revenues it has been facing "are based on the Department's history of not reviewing fees regularly; not adjusting fees on par with inflation; and providing services typically funded by fees, without imposing fees."

While we support this bill, and the important fee increases proposed in this bill, we would support amendments to the bill that reflect the need to right-size revenues from fines. In its JCR response, the Department noted that "bolstering enforcement" would be a key aspect of the strategy to enhance special fund revenues: "To reverse trends that resulted in minimal enforcement actions and collection of penalties, the Department will begin assessing maximum penalties to the



Potomac Riverkeeper Network is the trade name of Potomac Riverkeeper, Inc. a 501(c)3 tax-exempt nonprofit organization #54-1982624 EarthShare # 87828 \* CFC # 87828 Recognized as "one of the best small nonprofits" by the Catalogue for Philanthropy



extent of the law for entities that purposely violate environmental laws." A logical first step, we argue, is to increase this "maximum penalty."

Thus, the maximum fine for administrative enforcement of a water pollution control violation should also be increased to account for inflation and to adequately assess a penalty that removes the economic benefit to pollute. As illustrated in the JCR response last year and a review of past annual enforcement reports from the Department, in many years a majority of the Maryland Clean Water Fund consists of penalty revenues, the vast majority of which are from administrative enforcement actions. Thus, it stands to reason that a major driver of special fund revenues would come from significantly increasing the cap on administrative fines. This would come with the crucial co-benefit of greater deterrence, resulting in much higher rates of compliance with our environmental and public health laws.

We are very thankful for the new administration's demonstrated commitment to providing additional resources for the Department. MDE had been at historically low staff levels, with staff carrying heavy workloads, their ability to do their jobs effectively has suffered, and many unfilled vacancies continue. This historic investment will help to rebuild this agency and allow them to, once again, fulfill their purpose of protecting Maryland communities from pollution. As environmental advocates we want to ensure that this year's legislative actions will increase department resources, and effectively result in the greatest possible benefit for Maryland communities and waterways.

We strongly support this suggested amendment language:

9-342(b)

(2) The penalty imposed on a person under this subsection shall be:(i) Up to \$10,000 for each violation, but not exceeding \$<u>2</u>00,000 total

The Chesapeake Bay Program's Comprehensive Evaluation of System Response report (CESR) is a seminal document that addresses our shortcomings in achieving goals outlined in the Chesapeake Bay Agreement. The CESR report calls for a dramatic increase in targeted restoration and large scale behavior change to address pollution loads to our waterways. To achieve this, it has never been more necessary for our State's departments to have full access to the resources and capital necessary to properly enforce our environmental regulations and mitigate appropriately when pollution occurs. For these reasons stated above, Waterkeepers Chesapeake and the organizations signed below urge the Committee to adopt a **FAVORABLE** report on **SB0250**.

Sincerely,

Betsy Nicholas Vice President of Programs and Litigation Potomac Riverkeeper Network Betsy@prknetwork.org

## SB250 - Maryland LCV SUPPORT\_ Environmental Fees.p Uploaded by: Kristen Harbeson

Position: FAV



### Kim Coble Executive Director

### 2025 Board of Directors

Patrick Miller, Chair The Hon. Nancy Kopp, Treasurer Kimberly Armstrong Caroline Baker Joe Gill Charles Hernick The Hon. Steve Lafferty Bonnie L. Norman

### February 11, 2024

### SUPPORT: SB250 - Department of the Environment - Fees, Penalties, Funding and Regulation

Mr. Chair and Members of the Committee:

Maryland LCV supports HB250 - Department of the Environment - Fees, Penalties, Funding, and Regulation and we thank the Department for taking the initiative on this important issue.

In 2018 the Department of Legislative Services issued an Executive Branch Staffing Adequacy Study<sup>1</sup>, which documented staffing inadequacies in eleven state agencies. At that time they noted that the Department had a quantifiable staffing shortage of 245 PINs including both inspectors and administrative positions. This shortage has grown over the intervening years as the needs for enforcement of environmental laws that protect our air, land, water and communities have outpaced the growth of the agency's resources.

The responsibility to protect our communities against pollutants that poison our air and water lands primarily on the Maryland Department of the Environment. In the face of a significant budget deficit this year, ensuring that the Department's fee structure adequately supports these efforts is both critical and responsible to protect our state's fiscal health as well as the health of our communities.

We would draw attention, especially, to the Air Emission Permit Fees. The modest, and appropriate fee increases outlined in this bill will give the Department the resources to manage the program that oversees the permits of greatest concern to the front-and fenceline communities who bear the brunt of air pollution. These additional funds could assist MDE in increasing their direct work with communities bearing a disproportionate burden of the state's pollution, including addressing the cumulative impacts from multiple sources of pollution. The increase in this fee will give the Department the resources needed to ensure the health and safety of our communities as we attract new industries that contribute to a growing and robust economy, making sure no one is left behind.

Maryland LCV urges a **Favorable** report on this important bill.

<sup>&</sup>lt;sup>1</sup> https://dls.maryland.gov/pubs/prod/TaxFiscalPlan/Executive-Branch-Staffing-Adequacy-Study.pdf

# **MBIA Letter of Support SB 250.pdf** Uploaded by: Lori Graf Position: FAV



February 6, 2025

The Honorable Brian J. Feldman Chair, Senate Education, Energy and the Environment Committee 2 West Miller Senate Office Building Annapolis, Maryland 21401

### **RE: MBIA Letter of Support SB250 Department of the Environment – Fees, Penalties, Funding and Regulation**

The Maryland Building Industry Association, representing 100,000 employees of the building industry across the State of Maryland, supports SB250 Department of the Environment – Fees, Penalties, Funding and Regulation.

This bill authorizes the Department of the Environment to charge fees for processing sewage disposal and well construction permits. It also establishes fees for certification programs, requires oil transfer license holders to pay fees upon initial transfer into the State, and creates the Private Dam Repair Fund. MBIA supports this measure.

We appreciate the Committee's decision to place a cap on the maximum possible fee at \$575 plus a Consumer Price Index (CPI) adjustment on the sewage deposal and well construction permits. This was our primary concern in the 2024 Legislative Session.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the Senate Education, Energy, and the Environment Committee

**SB 250 - CBF - FAV.pdf** Uploaded by: Matt Stegman Position: FAV



Environmental Protection and Restoration Environmental Education

### Senate Bill 250 Department of the Environment - Fees, Penalties, Funding, and Regulation

| Date: | February 11, 2025                            | Position: | FAVORABLE               |
|-------|--|-----------|-------------------------|
| To:   | Education, Energy, and Environment Committee | From:     | Matt Stegman,           |
|       |  |           | Maryland Staff Attorney |

Chesapeake Bay Foundation (CBF) **SUPPORTS** SB 250, which authorizes the Maryland Department of the Environment (MDE) to alter various fees for programs and services provided by the Department. As the State begins to weather a period of fiscal uncertainty, it is increasingly important that MDE's fees are evaluated in a way that is both environmentally and fiscally sustainable.

The complete package of fees included in Sb 250 is carefully curated and share a common theme of putting the burden of increased program costs on the users of the programs. This is a responsible approach that encourages greater compliance with State laws and regulations. Some of the bill provisions that will have a positive impact on water quality in the state include:

### Well and Septic Permit Application Fees:

Currently, most well and septic permitting is carried out by local health departments and county governments who charge a fee to process the permit. Their authority to do so is delegated from MDE. MDE does not have the same ability to charge for this service in instances where they have either rescinded or been given back responsibility for processing these permits.

This enabling change will ensure there are sufficient resources available to run the permitting program, which helps ensure septic systems are not contributing to Bay pollution.

### **Responsible Personnel Training Program Certification:**

Construction activity continues to be a major contributor to nutrient loads in the Bay. This program ensures that larger construction projects have a responsible person on site to manage erosion, sediment, and runoff issues. Peer jurisdictions charge a fee for similar training programs. Giving MDE the ability to levy a fee commensurate with the cost of the certification program will ensure there is sufficient training and oversight of construction sites and, ultimately, help reduce nutrient runoff in local waterways.

### Wetlands and Waterways Application Fees:

Fees for wetlands and waterways applications were last meaningfully updated in 2012. These funds support the wetlands and waterways permit review process as well as general management, conservation, protections, and preservation of Maryland's waterways.

Maryland Office • Philip Merrill Environmental Center • 6 Herndon Avenue • Annapolis • Maryland • 21403

### CBF urges the Committee's FAVORABLE report on SB 250.

For more information, please contact Matt Stegman, Maryland Staff Attorney, at <u>mstegman@cbf.org</u>.

## Support for SB250 - Town of Middletown (SIGNED).pd Uploaded by: Paul Mantello

Position: FAV

*Commissioners* Richard L. Dietrick Jennifer J. Falcinelli Christopher I. Goodman Larry K. Bussard Kevin E. Stottlemyer





### SB 250 - Department of the Environment - Fees, Penalties, Funding, & Regulation

DATE:February 7th, 2025COMMITTEE:Senate Education, Energy, and the EnvironmentPOSITION:SupportFROM:John Miller, Burgess, Town of Middletown

As the Burgess of the Town of Middletown, I urge the committee to give SB 250 a FAVORABLE report.

This bill authorizes the Department of the Environment to charge new fees and create new revenues, to supplement the department's operational costs and fund critical state environmental programs.

Senate Bill 250 better allocates the continuing cost of needed regulatory oversight to the permittees and licensees, and lessens the burden on state taxpayers and the general fund.

Thank you for your consideration of SB 250. On behalf of the Town of Middletown, I urge a FAVORABLE report.

John Miller, Burgess Town of Middletown, MD

**SB0250\_FAV.pdf** Uploaded by: Robin Broder Position: FAV



### Testimony in Support of SB0250 - Department of the Environment - Fees, Penalties, Funding, and Regulation

Hearing Date: Tuesday, February 11, 2025 Position: **FAVORABLE** 

Dear Chair Feldman, Vice-Chair Kagan and members of the Education, Energy and the Environment Committee:

Thank you for the opportunity to submit comments on behalf of Waterkeepers Chesapeake, and the clean water groups listed below, **in favor of SB0250**. Our state is defined by the Chesapeake's waterways, which contribute significantly to our state's economy, and are a centerpiece of our culture and traditions in Maryland. Waterkeepers Chesapeake, and the clean water advocates across the State signed below, work to protect and restore the unique tributaries of the Bay, and hold polluters accountable when damages occur.

SB0250 will allow Maryland's Department of the Environment (MDE) to assign more appropriate fees when processing permits for onsite wastewater systems, on legacy coal ash that has been disposed in landfills, better assess lead contamination risks in housing units, process first time applications for the Voluntary Cleanup Program, manage oil transfer licenses, and more. These alterations in fees will provide MDE more resources to more effectively complete their work, and add the necessary staff to achieve proper oversight of industries and activities that can have adverse effects on the environment and our waterways. **Importantly, the bill will help shift the cost of protecting the public from pollution to those who create the pollution and reduce the fiscal and economic burden on the public; this is a concept already enshrined in Maryland statute and the Department's own regulations, but that remains mostly unimplemented. The Department itself noted in response to a JCR request last year that the declining revenues it has been facing "are based on the Department's history of not reviewing fees regularly; not adjusting fees on par with inflation; and providing services typically funded by fees, without imposing fees."** 

While we support this bill, and the important fee increases proposed in this bill, we would support amendments to the bill that reflect the need to right-size revenues from fines. In its JCR response, the Department noted that "bolstering enforcement" would be a key aspect of the strategy to enhance special fund revenues: "To reverse trends that resulted in minimal enforcement actions and collection of penalties, the Department will begin assessing maximum penalties to the extent of the law for entities that purposely violate environmental laws." A logical first step, we argue, is to increase this "maximum penalty."

Thus, the maximum fine for administrative enforcement of a water pollution control violation should also be increased to account for inflation and to adequately assess a penalty that removes the economic benefit to pollute. As illustrated in the JCR response last year and a review of past annual enforcement reports from the Department, in many years a majority of the

Maryland Clean Water Fund consists of penalty revenues, the vast majority of which are from administrative enforcement actions. Thus, it stands to reason that a major driver of special fund revenues would come from significantly increasing the cap on administrative fines. This would come with the crucial co-benefit of greater deterrence, resulting in much higher rates of compliance with our environmental and public health laws.

We are very thankful for the new administration's demonstrated commitment to providing additional resources for the Department. MDE had been at historically low staff levels, with staff carrying heavy workloads, their ability to do their jobs effectively has suffered, and many unfilled vacancies continue. This historic investment will help to rebuild this agency and allow them to, once again, fulfill their purpose of protecting Maryland communities from pollution. As environmental advocates we want to ensure that this year's legislative actions will increase department resources, and effectively result in the greatest possible benefit for Maryland communities and waterways.

We strongly support this suggested amendment language:

9-342(b)

- (2) The penalty imposed on a person under this subsection shall be:
- (i) Up to \$10,000 for each violation, but not exceeding  $\underline{2}00,000$  total

The Chesapeake Bay Program's Comprehensive Evaluation of System Response report (CESR) is a seminal document that addresses our shortcomings in achieving goals outlined in the Chesapeake Bay Agreement. The CESR report calls for a dramatic increase in targeted restoration and large-scale behavior change to address pollution loads to our waterways. To achieve this, it has never been more necessary for our state's departments to have full access to the resources and capital necessary to properly enforce our environmental regulations and mitigate appropriately when pollution occurs. For these reasons stated above, Waterkeepers Chesapeake and the organizations signed below urge the Committee to adopt a **FAVORABLE** report on **SB0250**.

Sincerely, Robin Broder, Acting Executive Director Waterkeepers Chesapeake robin@waterkeeperschesapeake.org

ShoreRivers Blue Water Baltimore Assateague Coastal Trust Potomac Riverkeeper Network Arundel Rivers Federation Gunpowder Riverkeeper Severn Riverkeeper Chesapeake Legal Alliance

## **SB 250 - MDE - Fees Penalties, Funding and Regulat** Uploaded by: Tom Ballentine

Position: FAV



February 7, 2025

The Honorable Brian J. Feldman, Chair Senate Education, Energy, and the Environment Committee 2 West Senate Office Building Annapolis, Maryland 21401

#### Favorable: SB 250 – MDE Fees, Penalties, Funding and Regulation

Dear Chair, Feldman and Committee Members:

The NAIOP Maryland Chapters represent more than 700 companies involved in all aspects of commercial, industrial, and mixed-use real estate. On behalf of our member companies, I am writing to recommend your favorable report on SB 250. NAIOP requests the committee consider the following points:

- SB 250 increases fees and eligible purposes of special funds within MDE. Among the changes are increased permit fees, creation of an annual registration requirement and establishment of a Private Dam Repair Fund related to the design construction, operation, and maintenance of dams.
- Land development projects often contain small ponds that provide stormwater management that are not considered dams. At times development projects contain larger impoundments that would be considered dams. Determining whether a facility is a dam or a small pond that is not subject to the new fee and permitting requirements can be complicated.
- COMAR 27.17.04 Defines a Dam:

"(4) "Dam" means any obstruction, wall, or embankment, together with its abutments and appurtenant works, if any, in, along, or across any stream, heretofore or hereafter constructed for the purpose of storing or diverting water or for creating a pool upstream of the dam, as determined by the Administration."

- A dam's height, drainage area, storage volume and downstream hazard conditions determine its classification, which affects the standards it must meet and whether it must pay fees into the Private Dam Repair Fund.
- NAIOP and MDE have discussed this issue and agreed on language clarifying that the bill is not intended to apply the new dam requirements to structures that are not currently considered dams. This provision is included on page 42 of the bill.

#### For these reasons, NAIOP respectfully recommends your favorable report on SB 250.

Sincerely.

T.M. Balt

Tom Ballentine, Vice President for Policy NAIOP Maryland Chapters -*The Association for Commercial Real Estate* 

cc: Education, Energy, and the Environment Committee Members Nick Manis – Manis, Canning Assoc.

**GHHI Written Testimony - SB250.pdf** Uploaded by: Wesley Stewart Position: FAV



2714 Hudson Street Baltimore, MD 21224-4716 P: 410-534-6447 F: 410-534-6475 www.ghhi.org

February 7, 2025

Senator Brian J. Feldman, Chair Senate Education, Energy, and the Environment Committee 2 West, Miller Senate Office Building Annapolis, Maryland 21401

Re: **FAVORABLE** – SB250 – Department of the Environment – Fees, Penalties, Funding and Regulation

Dear Chairman Feldman and Members of the Committee:

On behalf of the Green & Healthy Homes Initiative (GHHI), I write in support of SB250. I serve as Chair of the Maryland Lead Poisoning Prevention Commission and as a member of the EPA Children's Health Protection Advisory Committee, the CDC Lead Exposure and Prevention Advisory Committee and the Maryland Green and Healthy Homes Task Force. GHHI is dedicated to addressing the social determinants of health and advancing racial and health equity through the creation of healthy, lead safe and energy efficient homes. GHHI has been at the frontline of lead poisoning prevention and holistic healthy housing for over three decades.

Over its 30-year history, GHHI has developed the holistic energy efficiency, health and housing service delivery model that is implemented in our nationally recognized, Maryland-based direct service program. The model was adopted by the U.S. Department of Housing and Urban Development and is currently being advanced in partner jurisdictions nationally. In addition, GHHI helped to elevate Maryland as a national leader in healthy housing by helping reduce childhood lead poisoning by 99% in the state and helping design over 49 pieces of healthy housing legislation that became law in the State of Maryland and local jurisdictions. By delivering a standard of excellence, GHHI aims to eradicate the negative health impacts of unhealthy housing and unjust policies to ensure better health, economic, and social outcomes for children, seniors and families with an emphasis on Black and Brown low-income communities. GHHI's holistic intervention approach was recently cited by EPA and HUD as a model for effective coordination of federal healthy homes and weatherization programs and resources.

We are deeply committed in our mission to advance racial and health equity, economic mobility and climate resiliency through healthy and energy efficient low-income homes. By increasing state resources for lead poisoning prevention programs and stronger MDE enforcement through SB250, resources can be targeted to improve compliance oversight, improve housing conditions, and reduce legacy pollution and lead poisoning in historically underserved and under-resourced communities in Maryland.



GHHI Written Testimony – Senate Bill 250 February 7, 2025 Page Two

### Impact of Hazardous Housing in Maryland - Lead Poisoning

In 2021, there were 1,430 children with elevated blood levels (EBLs) of 5  $\mu$ g/dl or higher in Maryland. Lead poisoning from primarily lead in paint, dust and contaminated soil contributes to significant learning disabilities, loss of IQ, speech development problems, attention deficit disorder, poor school performance and violent, aggressive behavior that heavily burdens low-income communities. Lead poisoning directly contributes to the cycle of learning disabilities, poor school performance, steep school dropout rates and juvenile delinquency that prevent low-income children in particular in Maryland from being able to thrive and which burdens the State through increased special education and criminal justice costs. Children poisoned by lead are 7 times more likely to drop out of school and 6 times more likely to be involved in the juvenile justice system.

In 2012, CDC determined that there was no safe level of lead in a child's body and lowered the blood lead reference level from 10  $\mu$ g/dl to 5  $\mu$ g/dl for children. Maryland lowered its blood lead reference level to 5  $\mu$ g/dl to conform with the CDC. HB1233, the Maryland Healthy Children Act, was passed in 2019 and established that Maryland would align its blood lead standards with any revisions to the CDC's blood reference level within one year. On October 28, 2021, the CDC reviewed all the available blood lead data in the United States and the scientific research and lowered the blood lead reference level accordingly to 3.5  $\mu$ g/dl. The State of Maryland adopted the 3.5  $\mu$ g/dl blood lead reference level and lowered the blood lead level for case management in 2022 and lowered the blood lead action level for environmental investigation effective on January 1, 2024.

### Increased Funding for MDE Compliance Oversight and Enforcement Capacity

MDE must have the adequate inspection, administrative oversight and enforcement personnel to effectively implement the Maryland Reduction of Lead Risk in Housing Law and to respond to the environmental investigation and lead case management demands from the lowering fully of the blood lead action levels in Maryland to 3.5 µg/dl on January 1, 2024. Minority populations in Maryland are disproportionately impacted by the lead hazardous conditions that exist in their older communities and are most vulnerable to non-compliant homes where deferred maintenance and unsafe housing conditions have created toxic environments. Maryland must continue to remediate lead hazards in our holder housing stock and insure that rental property owners maintain safe, lead certified properties that prevent exposure to lead paint and dust. SB250 will increase funding for MDE staff that will help improve property registration and lead inspection certification compliance rates in the state and expand the staffing capacity to respond to homes where children with elevated blood lead levels have been identified. Additional MDE funding is necessary for ongoing lead safe work practices oversight of lead hazard reduction projects in affected rental properties under the Maryland lead law. While GHHI supports the substantial public and private investments in climate mitigation housing interventions, (greenhouse gas reduction), those weatherization and electrification interventions may also disturb lead-based paint in pre-1978 properties and MDE will play an important role in helping contractors and owners utilize lead safe work practices for such projects in the coming years. Increased revenue

GHHI Written Testimony – Senate Bill 250 February 7, 2025 Page Three

for MDE is necessary to maintain existing staff, attract new staff and retain Lead Program staff in the coming years through the offering of competitive salaries and benefits.

### Lead Poisoning Prevention Program Services

As part of the state's lead poisoning prevention strategies and as mandated by the legislature, the Maryland Department of the Environment provided funding from 1997-2021 for tenant's rights assistance, case management, legal services, rental property owner compliance assistance, tenants' rights and rental property owner compliance trainings, and lead poisoning prevention outreach and education throughout the state. That MDE funding had ceased from July 2021 through October 2024 despite the statutory requirement that <u>at least \$750,000</u> in funding from the Maryland Lead Poisoning Prevention Fund is spent on lead prevention outreach and education programs and enforcement efforts.

Direct funding for in-home prevention services, training and outreach, interagency coordination, and public and private partnership engagement and coordination has been instrumental in helping the State of Maryland achieve its 99% reduction in childhood lead poisoning since 1993. To maintain that progress and achieve the state's goal of the elimination of lead poisoning, funding must be sustained for these critical prevention services that complement and supplement MDE's existing staffing resources. Rental property owner registration fees are an important, sustainable source of funding support through the Maryland Lead Poisoning Prevention Fund at MDE for the direct prevention services that are needed for tenants, parents and rental property owners statewide and in our most at-risk communities.

SB250 will generate important funding to meet the staffing capacity needs of the Maryland Lead Poisoning Prevention Program at MDE, improve rental property owner compliance rates, and support the vital lead poisoning prevention direct services that are needed in Maryland. We ask for a Favorable Report on SB250.

Respectfully Submitted,

-DocuSigned by: Ruth ann Norton Ruth Ann Norton President and CEO

MAMSA Ltr SB 250 2.7.25.pdf Uploaded by: Lisa Ochsenhirt Position: FWA



February 7, 2025

The Honorable Brian J. Feldman Chair, Education, Energy, and the Environment Committee 2 West, Miller Senate Office Building Annapolis, MD 21401

### **Re:** SUPPORT WITH AMENDMENTS--SB 250 (Department of the Environment-Fees, Penalties, Funding, and Regulation)

Dear Chairman Feldman:

On behalf of the Maryland Municipal Stormwater Association (MAMSA), I am writing to <u>request</u> <u>amendments to</u> SB 250, which would, among other things, create a new fee for dam safety permits to construct, reconstruct, repair, remove, or modify a dam (p. 18, 1. 32-33) and a new annual fee for registering a dam with the Maryland Department of the Environment (MDE) (p. 24, 1. 16).

MAMSA is an association of the State's local governments and leading stormwater consultant firms who work for clean water and safe infrastructure based on sound science and good public policy. Many of MAMSA's members own dams on the State's Dam Inventory that would be subject to these new fees.

MAMSA supports MDE having adequate funding to do the important work it needs to do to ensure dam safety and understands the need to fund needed dam improvements. In fact, MAMSA members undertake these types of projects on a regular basis using local dollars. However, MAMSA is concerned that SB 250 does not identify any specific fees that our members would be asked to pay for permits or registration. MAMSA <u>requests amendments</u> that would establish explicit fees in the Environment Article, with an allowance for future reasonable increases tied to inflation. Specifically, for permits to construct, reconstruct, repair, remove, or modify a dam, we request that the bill be amended to state that the fee will be the lesser of 1% of the total project cost or a maximum of \$10,000. For registering a dam, we request that the bill be amended to state that the fee will be the lesser of 1% of the total project cost or a maximum of \$10,000. For registering a dams, \$500 for significant hazard dams, and \$1,500 for a high hazard dam, with fees capped at a maximum of \$400, \$750, and \$2,000, respectively. In addition, we would ask for clarification that the requirements to register a dam and pay permit and registration fees only apply to dams that are currently listed on the State's Dam Inventory.

From a larger picture perspective, we are also aware that the need for funding to repair private dams is high; the total cost for bringing all private dams up to current standards is likely in the hundreds of millions of dollars. Long term, we request that the General Assembly consider options for funding dam repairs so that the cost of these projects is not solely borne by existing dam owners. MAMSA Letter – SB 250 February 7, 2025 Page 2

Please feel free to contact me with any questions at Lisa@AquaLaw.com or 804-716-9021.

Sincerely,

AllOclesentint

Lisa M. Ochsenhirt, MAMSA Deputy General Counsel cc: Committee Members, SB 250 Sponsor

### MMHA - 2025 - SB250 - FWA.pdf Uploaded by: Matthew Pipkin

Position: FWA



### Senate Bill 250

Committee: Education, Energy, and the Environment Bill: Senate Bill 250 – Department of the Environment – Fees, Penalties, Funding and Regulation Date: 2/11/25 Position: Favorable with Amendments

The Maryland Multi-Housing Association (MMHA) is a professional trade association established in 1996, whose members house more than 538,000 residents of the State of Maryland. MMHA's membership consists of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities and more than 250 associate member companies who supply goods and services to the multi-housing industry.

Relevant to MMHA, Senate Bill 250 ("SB 250") doubles the annual cost for residential rental units to register with the Maryland Department of the Environment's (MDE) Lead Rental Registry. SB 250 increases the individual unit cost from \$30 per year to \$60 per year, which would be paid on a two-year basis. Additionally, SB 250 increases the fee by 400% for a lead free report to MDE from \$10 to \$50.

In communication with MDE, MMHA has been provided with sponsor amendments to this legislation that would strip the relevant fee increases on the Lead Rental Registry and the lead free reports from SB250. This amendment would satisfy our concerns, and upon its adoption, MMHA would move to favorable on this legislation. It is important for MMHA to state for the record, however, why the bill as initially drafted is a concern for our membership.

First and foremost, MMHA would like to state their support for the Lead Paint Program at MDE. MMHA members spend a significant amount of time, effort and expense in achieving compliance for the program. MMHA believes that the program is beneficial to the general health and welfare of the public.

Please note that the Lead Rental Registry fee only applies to rental properties that were built prior to 1978, which generally comprise much of Maryland's naturally occurring affordable housing. According to Maryland's Department of Housing and Community Development Secretary Jake Day, Maryland currently lacks 96,000 affordable housing units. As a result, the increased fees proposed in SB 250 would specifically target naturally occurring affordable housing, effectively increasing the cost of housing for Maryland's residents and further contributing to Maryland's shortage of affordable housing units.

In last year's written testimony<sup>1</sup> offered by MDE on this legislation, the Department listed out "Guiding Principles" in their approach to deciding on the issue of fees. I would like to highlight the third principle:

### Page 1 of 2

<sup>1</sup>Maryland Department of the Environment. *HB 245: Department of the Environment - Fees, Penalties, Funding, and Regulation - Written Testimony.* Written by Leslie Knapp, Jr., 26 Mar. 2024.

*"Responsible Party Pays:* A person who is receiving a service from MDE or who has created a problem that MDE must address should be the person who pays."

Based on separate information provided by MDE, properties that MDE identified with lead hazards in 2021 were 43% owner-occupied. Rental housing made up about half of that at 22%. Housing providers are willing to pay for their fair share of the program, but MMHA would encourage the committee to seek out and find a more equitable solution to long-term funding.

Given the public health implications and the continued financial stress on housing providers, MMHA encourages the General Assembly to allocate state funding in the budget to increase funding for the program without placing an additional burden on affordable housing. **Upon the adoption of MDE's amendments to this legislation that would strip the relevant fee increases from SB250, MMHA would move to favorable on this legislation.** 

Please contact Matthew Pipkin, Jr. at (443) 995-4342 or mpipkin@mmhaonline.org with any questions.

## **SB 250\_MTBMA\_FWA.pdf** Uploaded by: Michael Sakata

Position: FWA



February 11, 2025

Senator Brian Feldman, Chair Senate Education, Energy, and the Environment Committee 2 West Miller Senate Office Building Annapolis, MD 21401

### **RE:** SB 250 – <u>FAVORABLE WITH AMENDMENTS</u> – Department of the Environment – Fees, Penalties, Funding, and Regulation

Dear Chair Feldman and Members of the Committee:

The Maryland Transportation Builders and Materials Association ("MTBMA") has been and continues to serve as the voice for Maryland's construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of Maryland's transportation construction and materials industry by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland's multimodal transportation system.

As the Committee may remember, Senate Bill 250 was introduced last year, which seeks to increase permitting fees within various programs in the Department of the Environment (MDE). During the interim and currently, we have met with MDE to discuss the fee increases as it relates to surface mining permits, to work together on a reasonable solution. We understand the fees have not been increased in 30 years, and our members agree there should be some amount of increase, but it needs to be reasonable.

We have presented the following proposal to MDE that would still generate a significant amount of revenue for MDE. Our amendments would increase the per acre fee to \$50 for each year, but not to exceed \$5,000 with a 1% increase every two fiscal years starting in 2028, but not to exceed \$75 per acre and a total amount of \$10,000.

For the record, we would like to acknowledge that we greatly appreciate MDE working collaboratively as partners on this. Their initial proposal which sought to increase the program's annual revenue to \$1.3M is however, unmanageable for our industry. With the massive cuts to the State's transportation budget, and the unreliability of federal dollars being infused into Maryland, our industry is struggling exponentially and the burden of these additional costs will have a significant adverse impact on our member companies who operate surface mines in Maryland. We hope that our proposal is well received and we look forward to continuing to work with MDE to come to a reasonable solution that works for everyone.

We appreciate you taking the time to consider our amendments. Thank you.

Michael Sakata President and CEO Maryland Transportation Builders and Materials Association

**MDE SB250 SWA.pdf** Uploaded by: Serena McIlwain Position: FWA



### The Maryland Department of the Environment Secretary Serena McIlwain

### Senate Bill 250 Department of the Environment - Fees, Penalties, Funding, and Regulation

| <b>Position:</b>  | Support with Amendments                           |
|-------------------|---|
| <b>Committee:</b> | Education, Energy, and the Environment            |
| Date:             | February 11, 2025                                 |
| From:             | Jeremy D. Baker, Director of Government Relations |

The Maryland Department of the Environment (MDE) **SUPPORTS** SB 250 **WITH AMENDMENTS**. The bill addresses numerous programmatic and fiscal challenges MDE faces by making necessary fee and policy adjustments.

### **Bill Summary**

The bill proposes changes to MDE's fee structures in various land, air, and water programs. Broadly, Senate Bill 250 addresses staffing and resource shortfalls, permitting capacity, ongoing public health and safety concerns, and compliance with federal law in all three of MDE's policy administrations.

### **Position Rationale**

Through this bill, MDE is prioritizing fiscal responsibility and government efficiency to ensure that the Department can meet its statutory obligations, and deliver on its mission to protect people and the environment. Many services the Department provides benefit all Marylanders, and the general fund is a critical and appropriate tool to use to fund statewide activities. But there are also many very specific services that Department experts fulfill for narrower groups of individuals, businesses, and jurisdictions - things like dam inspections, oil transfer licensing, and air emissions permits.

For the last several years, Maryland taxpayers have been subsidizing the costs of necessary department functions that provide valuable services to the regulated community. The provisions in SB 250 leverage user charges to ensure that those who benefit from specific MDE services pay for the services they receive without placing the burden on all Marylanders to subsidize specialized programs. Moreover, the Department has conducted a rigorous analysis of the costs of these services, how much peer agencies and jurisdictions charge users, and the ability of the regulated community to pay for these services.

### Conclusion

MDE carefully considered each component of the bill and consulted with affected stakeholders. The fee and policy adjustments proposed in SB 250 are vital to improving environmental protection and ensuring the safety of Maryland's residents. The bill will also improve MDE's capacity to provide better customer service and communication in a number of areas. MDE is submitting amendments to remove five of the initially proposed fee changes to include them in the Budget Reconciliation and Financing Act (BRFA) for approval in the budget.

Accordingly, MDE urges a FAVORABLE WITH AMENDMENTS report for SB 250.

(Proposed amendments on next page)

### SB 250 - MDE Amendments

### **Purpose Paragraph Amendments**

### Amendment No. 1

On page 1, strike beginning with "authorizing" in line 10 down through the semicolon in line 12; and strike beginning with "altering" in line 18 down through the semicolon in line 20. On page 2, strike beginning with "altering" in line 4 down through the semicolon in line 11; strike beginning with "altering" in line 13 down through the semicolon in line 14; in line 18, strike ", 4-104"; in the same line, strike ",5-203.1"; in line 19, after the first comma, insert "and"; in the same line, strike ", 6-843, and 7-506(a); strike in their entirety lines 32 through 36, inclusive; in line 39, after the second comma, insert "and"; and in line 39, strike ", 15-807, 15-815, and 15-816".

### Erosion and Sediment Control Responsible Personnel Training Program Certification

### Amendment No. 2

On pages 9 through 10, strike in their entirety the lines beginning with line 22 on page 9 through line 16 on page 10, inclusive.

### Wetlands and Waterways Tier II High-Quality Watershed Fee

### Amendment No. 3

On pages 11 through 18, strike in their entirety the lines beginning with line 28 on page 11 through line 27 on page 18, inclusive.

### **Rental Property Lead Registration Fee**

### Amendment No. 4

On pages 29 through 30, strike in their entirety the lines beginning with line 26 on page 29 through line 30 on page 30, inclusive.

### Voluntary Cleanup Program

### <u>Amendment No. 5</u> On pages 30 through 32, strike in their entirety the lines beginning with line 31 on page 30 through line 25 on page 32, inclusive.

### **Non-Coal Surface Mining License**

### Amendment No. 6

On pages 36 through 41, strike in their entirety the lines beginning with line 14 on page 36 through line 10 on page 41, inclusive.