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SPEAKER PRO TEM
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Environment and Transportation
Committee

Subcommittees

Chair, Environment

Natural Resources,
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The Maryland House of Delegates
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**Delegate Dana Stein Testimony in Support of
HB 131 Environment - Bay Restoration Fund –
Septic System Upgrade Program**

Chair Korman, Vice Chair Boyce, and Committee Colleagues:

The Bay Restoration Fund (BRF) is a nationally recognized funding program that has played a critical role in Maryland’s Chesapeake Bay and Atlantic Coastal Bays restoration efforts. The BRF provides financial assistance for wastewater treatment plant upgrades, septic system upgrades and sewer connections, and agricultural cover crops.

This bill makes four changes to the BRF septic system subaccount. In considering these changes, I have worked closely with the Maryland Department of the Environment (MDE).

Under current law, BRF septic system funding places top priority on failing systems located within the critical area. HB 131 would make failing septic systems in any nitrogen-impaired watershed in the State the next highest priority. This change follows a recommendation of the *Achieving Water Quality Goals in the Chesapeake Bay: A Comprehensive Evaluation of System Response* report (CESR report).

The bill would also authorize MDE to set reimbursement rates for Best Available Technology for nitrogen removal (BAT) septic systems based on a system’s actual nitrogen removal efficiency. This “pay for performance” aspect was also a recommendation from the CESR report.

HB 131 grants greater funding flexibility for moderate-income homeowners to cover more expensive items, such as drain field replacements, that could jeopardize an otherwise beneficial project. This modest flexibility would let such projects move forward while still ensuring there is sufficient funding to benefit a meaningful number of homeowners.

Finally, the bill replaces a static eligibility date that no longer makes good policy sense. When the BRF was originally created, the law specified that only septic systems installed on or before October 1, 2008, were eligible for assistance. As it is now 2025, this date is starting to exclude homeowners whose septic systems have reached the end of their natural lifespan. The bill addresses this issue by having a “rolling” eligibility date for septic systems installed at least 15 years before July 1 this year.

With these changes, the BRF septic system subaccount will continue to help improve water quality and reduce nitrogen throughout all of Maryland’s watersheds. Therefore, I respectfully request the Committee give House Bill 131 a Favorable report.