



Wes Moore GOVERNOR

Aruna Miller LT. GOVERNOR

Charles Glass, Ph.D., P.E. EXECUTIVE DIRECTOR

April 2, 2026

The Honorable Ben Barnes, Chair
House Appropriations Committee
120 Taylor House Office Building
Annapolis, Maryland 21401

The Honorable Marc Korman, Chair
House Environment and Transportation Committee
250 Taylor House Office Building
Annapolis, Maryland 21401

Re: Senate Bill 228 – Maryland Environmental Service - Authorizations and Requirements - Alterations

Dear Chairs Barnes and Korman, and Members of both committees,

The Maryland Environmental Service (MES) supports SB 228, which is our departmental bill for the 2026 session. This bill was voted favorably out of the Senate Education, Energy, and the Environment Committee and passed without amendments out of the Senate. The House Appropriations Committee and the House also passed the crossfile clean prior to crossover. So both bills are in the exact same posture in the opposite chambers. We request your favorable consideration here again.

MES is proposing three changes to its authorizing statute. These changes address several areas where MES's statute is outdated or inconsistent with current practice.

1. **Small Procurement Threshold Increase:** In Natural Resources Article § 3-103(g), MES has a small procurements threshold of \$25,000. This is inconsistent with other units of state government. In 2023, the State's small procurement threshold was raised to \$100,000. MES is requesting to raise its small procurement threshold to \$50,000.

Because of the nature of its structure and operational mission, MES is mostly exempt from Division II of the State Finance and Procurement Article. In the 2023 session, the small procurement threshold was increased to \$100,000. MES was overlooked in that effort. Raising this threshold to \$50,000 will increase organizational efficiency without sacrificing transparency or competitiveness in contracting with vendors. In FY 25, the total dollar value of contracts and purchase orders between \$25,000 and \$50,000 is just 3.2% of the total dollar value of all contracts and purchase orders above \$25,000 at MES. Meanwhile, the number of contracts is approximately 26% (85 of 327 contracts and purchase orders were between \$25,000 and \$50,000). The MES Statute still requires Purchase Orders and Contracts between \$25,000 - \$200,000 to go to the MES Board of Directors. None of the notification and approval processes change as a result of this change.

2. **Board Treasurer – Delegation of Responsibilities:** In Natural Resources Article § 3-103(e), the Treasurer of the MES Board of Directors is directed to perform several financial

responsibilities and is further authorized to delegate the responsibility of disbursing monies in furtherance of the purposes of the Service as authorized by law. The change being proposed in this bill is to expand the scope of the duties and responsibilities the MES Board Treasurer may delegate to the Deputy Treasurer.

The Board Secretary and the Treasurer both have the ability to delegate responsibilities, with the approval of the full Board, to a Deputy Secretary and Deputy Treasurer. While the Board Secretary can delegate all of the statutory responsibilities to the Deputy Secretary, the Board Treasurer may only delegate the responsibility to disburse money. The bill requests that this language be expanded to allow the Board Treasurer to delegate, similar to the Board Secretary, all of the statutory responsibilities. The Board Treasurer and Secretary maintain final say on these responsibilities.

3. Service District Rate Change Notification Requirement – Modernization: In Natural Resources Article § 3-106, MES is authorized to establish service regions for water, wastewater or solid waste. NR § 3-108 requires MES to perform certain actions when establishing or altering rates in these service districts. The current requirements were established in 1995 and need to be updated to reflect modern forms of communication and the changing landscape of newspapers of general circulation.

Creating a service district requires that MES establish charges for providing the service to recover its costs. In the creation (or alteration) of these charges, MES's statute has very strict and outdated advertising requirements: hold a public hearing and advertise the charges in a newspaper of general circulation within the service district subject to the strict conditions outlined below:

“The published notice shall be at least ¼ page in size, and use at least 18-point type. The notice may not be placed with legal notices or classified advertisements. The headline of the notice shall be in bold print, with all letters capitalized. The text of the notice, other than the headline, shall be in upper and lower case letters.”

The proposal would modernize our notice requirements to account for other methods of communication, while still keeping the requirement to hold a hearing and place an advertisement in a newspaper of general circulation.

We appreciate your time and attention to this matter and we urge a favorable report.

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