



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

House Bill 1065

Coal Combustion By-Product Materials - Grant Program and Procurement Preference

Position: Information
Committee: Environment and Transportation
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The Maryland Department of the Environment (MDE) offers the following **LETTER OF INFORMATION** for HB 1065.

Bill Summary

HB 1065 establishes the Coal Combustion By-Product (CCB) Materials Grant Program within MDE and creates a certification framework to promote the reuse of Maryland-sourced CCB materials. The bill directs the Solid Waste Program to administer competitive grants to manufacturers, identify and pursue funding for the program, audit and certify awarded grants in coordination with the Maryland Energy Administration and adopt regulations governing environmental criteria, safety standards, and traceability requirements. MDE must conduct environmental review of material sources and transport, monitor environmental and workforce outcomes, and track greenhouse gas impacts. Also, the bill imposes annual reporting obligations on both manufacturers and the MDE and integrates solid waste oversight concerns (leaching, contaminants, reuse safety) directly into program eligibility and certification.

Key Points

MDE generally supports the legislation's goal of advancing environmentally responsible beneficial reuse of CCBs. However, HB 1065 establishes a new regulatory and grant program framework without identifying a dedicated funding source. The bill assigns substantial, ongoing responsibilities to the Solid Waste Program including rulemaking, technical environmental review, compliance oversight, certification, auditing, reporting and full grant administration. The duties are additive and extend beyond the Program's existing structure and staffing levels. Without sustainable funding, a successful implementation of this program would require redirecting resources from core permitting and compliance functions. To mitigate these burdens, the Department recommends an amendment to authorize MDE to outsource the administration and design of the grant program to a third-party non-profit intermediary with existing infrastructure and funding expertise for grant allocation. This approach would also mitigate the need for additional permanent staffing for grant administration, reduce long-term administrative costs and allow for efficient program deployment. Environmental review authority, eligibility determinations and final award approval would remain with the MDE.

MDE appreciates the opportunity to provide information for HB 1065 and is available for questions.

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