STATE OF MARYLAND

MARYLAND DEPARTMENT OF THE ENVIRONMENT Shari T. Wilson, Secretary

BILL NO: House Bill 1362

COMMITTEE: Environmental Matters

POSITION: Support

TITLE: Environment - Bay Restoration Fund - Authorized Uses

BILL ANALYSIS: This bill authorizes the use of certain fees collected for the Bay Restoration Fund (BRF) to be used under certain circumstances to connect a property with an onsite sewage disposal system to an existing wastewater facility that is achieving enhanced nutrient removal levels.

This bill limits the amount of BRF funding that could be provided to offset the cost of connecting an individual property to an existing wastewater treatment plant to no more than the cost of upgrading an individual septic system to nitrogen removing technology. The bill further limits the application of this program to existing developed property located in priority funding areas and requires the local government to certify to the Department that providing wastewater service to properties in question is environmentally beneficial, cost effective, and consistent with the County Water and Sewer Plan.

POSITION AND RATIONALE: The Maryland Department of the Environment (MDE or Department) supports HB 1362.

The Chesapeake Bay Program estimates that approximately 7 % percent of the nitrogen load to the Chesapeake Bay from Maryland comes from onsite sewage disposal systems (septic) systems. In the effort to accelerate Bay restoration, reducing the nitrogen load from septic systems is critical. Maryland's Chesapeake Bay Tributary Strategy Implementation Plan would require nutrient removal technology to be in place for all existing,

new and replacement systems in order for Maryland to meet its nutrient reduction goals for the Bay.

Through moneys provided by the BRF, MDE administers a grant program that can pay the homeowner's cost of upgrading an onsite sewage disposal system with best available technology (BAT) to remove nitrogen. Revenue in the BRF for this purpose results from the \$30 annual fee levied by Counties on septic system owners. The revenue from this fund is sufficient to upgrade approximately 600 systems per year based on current costs.

The Department believes that, in certain circumstances, the discharge of nitrogen into the Chesapeake Bay and its tributaries from communities with septic systems can be more cost effectively addressed by replacing on-site sewage disposal systems with sewer service to existing wastewater treatment facilities that have enhanced nutrient removal technology in place.

The Department, therefore, supports HB 1362 as a measure that will increase the cost-effectiveness of the BRF program overall, and potentially accelerate the restoration of the Chesapeake Bay.

FOR MORE INFORMATION, <u>CONTACT LISA NISSLEY</u> 410-260-6301 ANNAPOLIS 410-537-3812 BALTIMORE