

Martin O'Malley Governor

Anthony G. Brown Lieutenant Governor Robert M. Summers, Ph.D. Secretary

February 26, 2014

The Honorable Maggie McIntosh, Chair Members, Environmental Matters Committee House Office Building, Room 251 Annapolis, MD 21401

Re: House Bill 1139 – Environment – Stormwater Remediation Fees – Reduction of Fees

Dear Chairperson McIntosh and Committee Members:

The Maryland Department of the Environment (MDE or "the Department") has reviewed House Bill 1139, entitled Environment – *Stormwater Remediation Fees* – *Reduction of Fees*, and would like to express our concerns regarding this legislation.

HB 1139 amends Section 4.202.1 of the Environment Article, which establishes the requirement that the state's MS4 Phase I jurisdictions establish stormwater remediation fees. The bill requires these jurisdictions to establish policies and procedures to reduce a stormwater remediation fee for both residential and nonresidential property owners to account for on-site and off-site systems, facilities, services, or activities that reduce the quantity or improve the quality of stormwater discharged from the property, and proscribes that specific levels of credit be given (25%, 50%, 75%, 100%).

If the intent of HB 1139 is to mandate that local jurisdictions include a residential and non-residential credit program in their Watershed Protection and Restoration Programs and provide credits up to 100% in increments of 25%, it is unclear if this legislation accomplishes that intent and whether it will have a meaningful impact on fee payers. This is because the legislation still preserves the jurisdictions' flexibility regarding the amount of their fees and credits.

HB 1139 will require counties to review their existing fee crediting programs and procedures, make modifications to existing procedures and ordinances, modify fee related websites and financial systems, communicate new requirements to property owners, and make adjustments to assessments made to date. The legislation would require the Department to review fee ordinances and credit procedures again to determine compliance with the new provisions. This effort will divert staff effort from other priorities, such as MS4 permitting and review.

Thank you allowing us to provide information on House Bill 1139. If I can be of further assistance, please call me at (410) 260-6301 or you can reach me by email at jeffrey.fretwell@maryland.gov. Thank you.

Sincerely,

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Jeffrey Fretwell