

STATE OF MARYLAND
MARYLAND DEPARTMENT OF THE ENVIRONMENT
Robert M. Summers, Ph. D., Secretary

BILL NO: SB 1

COMMITTEE: Education, Health and Environmental Affairs

POSITION: Oppose

TITLE: Bay Restoration Fee – Exemption – On-Site Sewage Disposal System Using Best Available Technology

BILL ANALYSIS: Senate Bill 1 exempts a user of an on-site sewage disposal system from paying the Bay Restoration Fund (Fund) fee if the user's on-site sewage disposal system utilizes the best available technology (BAT) for nitrogen removal.

POSITION AND RATIONALE: MDE opposes SB 1. The purpose of the Bay Restoration Fund Septics Program is to provide funding to local governments for the upgrade of on-site disposal systems with best available nitrogen removal technology to reduce nitrogen delivered to the waters of the State and ultimately improve the health of the Chesapeake Bay. The fee, \$60 per year, from on-site disposal system users, mostly homeowners, is deposited into the Bay Restoration Fund to be used to upgrade on-site disposal systems with best available technology for nitrogen removal and for planting cover crops.

The annual revenue paid into the Fund is estimated at \$25 million. Sixty percent (\$15 million) of the revenue is deposited with the Department of Environment to provide local government funding for the upgrade of septic systems, with the priority given to failing septics in the Critical Area. Forty percent of the annual revenue is deposited with the Department of Agriculture (MDA) for planting cover crops. Approximately 1,200 systems upgraded annually receive up to \$13,000 of BRF septic grant funds from MDE. These system owners are the beneficiaries of State BRF grant funding. This legislation would exempt the owners whose systems were upgraded from paying into the Fund, which would reduce the financial assistance available to help other septic owners upgrade their systems.

The success of the Program depends on every citizen of the State contributing into the Bay Restoration Fund. The Fund would not be sustainable if homeowners were exempted from paying into it once their system was upgraded. Lower revenues would mean less funding available to upgrade septic systems, plant cover crops, and support the staff that manage the Programs. The upgrade of on-site disposal systems and planting of cover crops is critical to the success of the Watershed Implementation Plan and Chesapeake Bay restoration. Exempting system owners from paying into the Bay Restoration Fund would mean less available resources for local governments to meet their septic and agriculture nutrient reduction targets.

FOR MORE INFORMATION,
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