STATE OF MARYLAND MARYLAND DEPARTMENT OF THE ENVIRONMENT Shari T. Wilson, Secretary

BILL NO:	HOUSE BILL 1556
COMMITTEE:	Education, Health, and Environmental Affairs
POSITION:	Support

TITLE: Environment - Coal Combustion By-Products - Fees

BILL ANALYSIS:

The bill provides funding to implement new regulations that control the disposal and re-use of coal combustion by-products.

The Bill authorizes the Department to implement a fee through regulation for each ton of coal combustion by-product ("CCBs" or coal ash). The fee may not be imposed on CCBs that are beneficially reused. The Bill also requires that MDE set a fee at <u>only</u> the exact level need to fund implementation of regulatory requirements concerning CCBs. The Bill establishes a State Coal Combustion Byproducts Management Fund as a special, continuing, non-lapsing fund.

The bill also requires MDE to report annually to the General Assembly on the status of the fund, including revenues and expenditures, the efficiency of the regulatory program, compliance rates within the regulatory program, and whether the fee needs to be adjusted.

POSITION AND RATIONALE: Support

MDE strongly supports this bill. The fee is necessary to ensure public health and groundwater are protected during disposal, mine reclamation and beneficial reuse of CCBs. MDE's new regulatory program to manage CCBs is designed to prevent situations resulting in contamination of groundwater and residential drinking water wells, such as occurred in Anne Arundel County.

The estimated cost of implementing the CCB regulations is projected to average \$750,000 annually for the next 5 years. The fee would be set at

the level necessary to pay for those costs. The revenue generated by the fee is needed to implement the CCB regulatory requirements.

FOR MORE INFORMATION, CONTACT LISA NISSLEY 410-260-6301 ANNAPOLIS 410-537-3056 BALTIMORE