

## **Governor Ehrlich's Bay Restoration Fund (Senate Bill 320)**

On May 26, 2004, Governor Ehrlich signed Senate Bill 320 (Bay Restoration Fund) into law. The Chesapeake Bay has experienced a decline in water quality due to over enrichment of nutrients (mainly phosphorus and nitrogen). Effluent from wastewater treatment plants is one of the top three major contributors of nutrients entering the Bay (urban and agricultural runoffs are the other two). The purpose of the bill is to create a dedicated fund, financed by wastewater treatment plant users, to upgrade Maryland's wastewater treatment plants with enhanced nutrient removal (ENR) technology so they are capable of achieving wastewater effluent quality of 3 mg/l total nitrogen and 0.3 mg/l total phosphorus. In addition, a similar fee paid by septic system users will be utilized to upgrade onsite systems and implement cover crops to reduce nitrogen loading to the Bay. By signing this bill, Governor Ehrlich has initiated Maryland's efforts to further reduce nitrogen and phosphorus loading in the Bay by over 7.5 million pounds of nitrogen per year and over 260 thousand pounds of phosphorus per year, which represent over one-third of Maryland's commitment under the Chesapeake Bay 2000 Agreement.

**Wastewater Treatment Plants Fund:** A \$2.50 monthly fee will be collected from each home served by a wastewater treatment plant. Commercial and industrial users will be charged at the rate of \$2.50 per month per equivalent dwelling unit (EDU). Fees from wastewater treatment plant users will generate an estimated \$65 million per year. To expedite the implementation of the program, the Department may issue bonds backed in full or in part by funds generated under this program. The 66 major facilities discharging to the Chesapeake Bay have priority. Other facilities will be considered on case-by-case basis in consideration of cost-effectiveness, water quality benefits, readiness to proceed, and nitrogen/phosphorus load.

**Septic Systems Fund:** A \$30 annual fee will be collected from each home served by an onsite system. The total estimated program income is \$12.6 million per year. Sixty percent of these funds will be used for septic system upgrades and the remaining 40 percent will be used for cover crops. There are 420,000 onsite systems in Maryland. With priority given to failing septic systems in Critical Areas, funds can be provided for upgrades of existing systems to best available technology for nitrogen removal or for the marginal cost of using best available technology instead of conventional technology.

**Advisory Committee:** An advisory committee will be formed. The main functions of the advisory committee will be to evaluate the cost, funding, and effectiveness of the wastewater treatment plant upgrades; consult and advise the counties and the Department regarding the onsite system upgrade program; and recommend future changes to the restoration fee if necessary.

For additional information, please visit MDE web site at: [www.mde.state.md.us](http://www.mde.state.md.us) or call 410-537-3567.