

House Bill 708

Comprehensive Climate Solutions

MACo Position: SUPPORT WITH AMENDMENTS

To: Economic Matters Committee

Date: March 4, 2022

From: Dominic J. Butchko

The Maryland Association of Counties (MACo) **SUPPORTS** HB 708 **WITH AMENDMENTS**. This wide-ranging legislation creates and enhances multiple goals to advance Maryland's climate response. County governments appreciate a number of refinements to the bill as introduced, but raise concerns with certain components that appear to be unreasonably burdensome for public sector landfill operators, and may deplete newly state-approved regional energy facilities.

Methane regulation and public sector landfills

HB 708 seeks to establish new methane regulations for municipal solid waste landfills. This is an effort already underway at the Department of Environment, and one on which MACo has been offering input. MACo supports amendments to these sections of the bill that seek a balance among multiple goals: controlling methane emissions, retaining the benefits of solar energy, and governing the cost burden on taxpayers and other public services.

A rigid mandate may place burdens on landfill operators that fail a sensible cost-benefit analysis. A reasonable enforcement regime could recognize the current benefits of waste-to-energy adaptations already in place, and in particular, respect any clean energy infrastructure already attached to the landfill space. The burden of disassembling solar power arrays, completing expensive retrofits or replacements to existing gas combustion equipment, hiring of additional staff due to increased monitoring requirements, hiring of outside consultants to meet new technical requirements, etc. could make many current and planned installations financially untenable.

MACo proposes five principles for amendments to best align these sections of the bill:

- 1. Provide State resources for any mandated aerial study flights or other new testing methods envisioned under the new law;
- 2. Authorize the Maryland Department of the Environment (MDE) to provide regulatory variances based on actual site emission data or models; activities such as voluntary implementation of landfill gas management systems for sites below Title V mandatory

active gas management thresholds; implementation of organics composting systems; enclosed organics Anaerobic Digestion with gas capture that otherwise reduce greenhouse gases; circumstances where the cost of remediation is not proportional to its effect, as well as other science-based evidentiary variance requests;

- 3. Include State funding for MDE to conduct research validating the accuracy of existing data-gathering under the current CFR monitoring requirements and practices;
- 4. Specify that new compliance costs will not exceed 10% of a county's existing gas management cost per ton of methane captured, and that if costs exceed 10% without an equivalent increase in actual gas capture, then all new compliance activities be allowed to revert to prior compliance standards; and
- 5. Grandfather in, either by definition or by a reasonable waiver process, currently closed landfills with other greenhouse reduction components in place such as solar power arrays on closed landfills recognizing their nonexistent capacity to generate new revenues, and exempting them from any new requirements.

Recognizing State-approved regional energy facilities

HB 708 also advances Maryland toward policies promoting all-electrical building systems, seeking to advance a clean energy compatibility. With the State only recently granting its own approvals for a major natural gas facility, a reasonable ground should be sought to recognize the economic viability of that facility, and to grant some degree of variance or consideration based on its presence in Maryland. For any similarly situated facility, a measured approach to these goals seems merited.

The bill as written seeks to accomplish a long list of lofty policy aspirations. Specific parts of the farreaching bill represent a significant operational and cost mandate—and revenue loss—for county government and state-approved facilities. Accordingly, MACo urges the Committee to issue a report of **FAVORABLE WITH AMENDMENTS** for HB 708 and stands ready to work with the Committee to address these issues.