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THE FACTS ABOUT POLLUTED RUNOFF AND STORMWATER UTILITY FEES

What is polluted runoff?

As water flows off of our streets, parking lots, and building rooftops, it picks up fertilizers, pesticides, oil, and automotive fluids, pet waste, sediment, and other pollutants. This simple process—untreated stormwater flowing through gutters and storm drains—pollutes our rivers and streams and threatens our drinking water. It also causes problems like local flooding of streets and homes, beach closures, fish advisories, and sewage system overflows.

Why has urban & suburban polluted runoff emerged as a national issue?

Up until about the 1980s, builders didn't know much about the problems associated with polluted runoff. They just designed developments to flush the water off the property quickly. Now we realize runoff should be slowed down, and soaked up, where possible.

In fact, in the Chesapeake Bay region, this sort of pollution is the only major pollution sector still on the rise. Air pollution is down, as is pollution from wastewater treatment plants and agriculture. Urban and suburban runoff is the last nut to crack.

Why has polluted runoff become a big issue in Maryland specifically?

Maryland's cities and suburban areas contain some of the highest concentrations of impervious surfaces in the whole Chesapeake Bay watershed. And, not surprisingly, the state also has a huge list of waterways that are officially considered polluted. In fact, the "impaired waters" list includes waterways in every county in the state. Damage from this pollution to the Chesapeake Bay is also dramatic, because Maryland's concentrated areas of urban and suburban development are close in proximity to the Bay compared to urbanized areas in most of Pennsylvania and Virginia.

The Chesapeake Clean Water Blueprint requires each of the Bay states to reduce pollution or be subject to consequences for failure. But polluted runoff has ramifications far beyond the health of the Bay. This pollution damages local rivers and streams, is often responsible for expensive flooding, and, especially after a significant rainfall, can put human health at risk.

What is the Stormwater Utility Fee?

In 2012, the Maryland General Assembly passed House Bill 987, the Watershed Protection and Restoration Program. This legislation required the 10 largest and most urban jurisdictions to set fees to address their polluted runoff problems. These 10 urban areas have the most land that doesn't allow water to filter slowly (impervious area), and they are also the only jurisdictions in Maryland charged

with meeting very strict federal Clean Water Act permits. At the request of the Maryland Association of Counties, the law allowed localities to set a fee at whatever level they wished, based on their needs.

Where did this fee come from? I knew nothing about it.

HB 987 was debated in the Maryland General Assembly in 2012. The media reported the debate. Also, nearly identical bills were debated in previous sessions of the legislature and reported by the media. Some counties and municipalities have been holding similar debates for several years as they tried to find a way to finance the upgrade of their neglected and outdated stormwater systems.

Some counties and municipalities have had similar fees in place for decades. For example, Prince George's County has assessed a tax for polluted runoff since 1986. Bowie has charged commercial properties a fee to address polluted runoff since 1988. A number of other areas implemented similar fees in the 1990s and 2000s.

If we already pay taxes, why does the government need to charge additional fees to restore the Bay?

With all the challenges they face, state and local governments have generally chosen to do the minimum required to reduce polluted runoff. HB 987 gave a nudge to local governments to act, but left it up to them to determine the size of their local fee. With an adequate fee, the local government can implement practical, proven solutions that were previously too expensive, or that could have only been done if money was taken from other important social services. The fee also provides important leverage for financing projects with bonds or state revolving loans. **Regardless of financing option, local creeks and rivers will get cleaner only to the degree local officials fund needed work.** Little or no new funding will continue to mean dirty, unhealthy local waters.

Why do we need a new fee? We already pay the Bay Restoration Fee (“flush tax”).

The Bay Restoration Fund or “flush tax” money goes to upgrading sewage plants. The money is being well spent. Most major plants in the state have been upgraded or are being upgraded, reducing nitrogen pollution into local waters by more than six million pounds a year. The flush tax was doubled in 2012 to finish the job of upgrading sewage plants. **The stormwater fee goes to upgrade the stormwater system**—the ponds, pipes, gutters, and other structures that are supposed to channel and treat polluted runoff before it reaches creeks. That spending will provide substantial, additional pollution reductions in each community.

Why aren't other local governments beside mine included in those that must charge a fee?

The problem is most severe in the 10 jurisdictions that were mandated to charge some level of fee, due to the large amount of impervious surface in those areas. And those are the only local jurisdictions already required by detailed Clean Water Act permits to deal with this problem. Many other counties in Maryland that are more rural don't discharge as much polluted runoff into local creeks and rivers.

Am I being charged the same amount as other property owners with more pavement or hard surfaces?

Each of the 10 local governments was given complete freedom to decide not only the size of the fee, but how it was collected. Some opted to charge property owners with more “impervious surfaces” higher fees. Other jurisdictions opted for a “flat fee.” The ten jurisdictions took different approaches.

Contact your local government for more detailed information, or visit the following website: <http://www.mde.state.md.us/programs/Marylander/Pages/StormwaterFeeFAQ.aspx>

What about the assertion that these fees are a tax on rain (or a “rain tax”)?

That moniker is catchy but blatantly false. It is designed to mislead and confuse. The truth is that we are talking about a fee to reduce pollution from water that washes off hard surfaces and empties into local waterways. Runoff pollution is real—it is responsible for no-swimming advisories and beach closures in local waters, fish consumption advisories, and dead zones in the Bay that can’t support aquatic life. It also causes localized flooding and property damage. And in many areas, it is the largest source of pollution.

The bottom line is that this work must be done. There are federal and state requirements to reduce runoff pollution from urban and suburban areas. A fee on impervious surface is the best model to do this because the fee is connected to the cause of the pollution. If counties don’t implement stormwater fees, they will need to raise the revenue by other means, such as property taxes or income taxes.

What about the complaint that these fees represent a top-down mandate?

It is true that the General Assembly required the fee. But the General Assembly also gave the counties the flexibility to design a fee structure that meets our unique needs. This is not a “one size fits all” policy. Counties have the leeway to develop local policies to address their local runoff pollution problems.

Are the fees used locally?

Yes! The fees are collected by the county or city, and used only in the county or city that collects them, to fix polluted runoff problems. The money will never go into a state fund, and there is accountability and transparency.

The fee are used for simple, proven solutions that work by slowing down and absorbing much of the polluted runoff. These solutions include planting trees, planting vegetation around streams, restoring stream beds, and using rain barrels and rain gardens. These local projects not only reduce pollution and improve water quality, but also make our communities more beautiful, reduce flooding, and create jobs. Scientific monitoring will verify that the projects are effective and efficient

Why are all the fees different?

Each county and city is unique, and so are their water quality problems. The Maryland Association of Counties, a non-profit association representing the needs of local government to the Maryland General Assembly, requested that the state law provide flexibility that allowed each jurisdiction to address these differences. Each county or city therefore can set its own fee. The approach taken by each county has varied, but the approach that provides the greatest benefit to local communities is setting a fee that reflects the jurisdiction’s estimated cost of compliance with Clean Water Act permits and cost of

restoring local streams and rivers. Despite the amount of work needed to restore Maryland's rivers and streams, Maryland's polluted runoff fees are lower than those in quite a few other states.

Does Chesapeake Bay Foundation receive funding from the "rain tax?"

Absolutely not. Neither do we receive a penny of funding from the Bay Restoration Fund, or "flush fee." These are government initiatives. We are a non-profit, private agency.

Can I have my fee reduced? I've heard some of the 10 jurisdictions are offering discounts.

HB987 required all the 10 local governments affected to offer some type of credits or discounts if a property owner takes steps to reduce polluted runoff from his land. Contact your local government for more information, or visit:

<http://www.mde.state.md.us/programs/Marylander/Pages/StormwaterFeeFAQ.aspx>

Don't we have bigger pollution problems to worry about? Isn't the water pollution that causes closed beaches and unsafe swim areas caused mostly by sewage spills, not polluted runoff?

Polluted runoff from city and suburban landscapes is the only major type of water pollution that is increasing in the region. Pollution from farms, sewage plants, and other sources is decreasing. Thanks to the "flush fee," for example, we've dramatically reduced nitrogen pollution from sewage plants. A handful of sewer systems in the state are so old it will take many years more to stop recurring spills and overflows. Spills from those systems can play a major role in beach closings. But Sally Hornor, a microbiologist with Anne Arundel Community College who has tested county water for years, says bacteria from polluted runoff is the culprit in unsafe swim areas far more often. Sewage spills are occasional. Polluted runoff occurs after every storm generating about one-half inch of rain or more.

Do the fees hurt Maryland's business competitiveness?

Forward-thinking community leaders believe the benefit to communities from addressing polluted runoff far outweigh the speculative concern that businesses will relocate. And if businesses consider relocating to Delaware, Pennsylvania, or Virginia instead of Maryland, they might be surprised to learn that 18 local jurisdictions in Virginia, eight local governments in West Virginia, at least two municipalities in Delaware (including the largest, Wilmington), and several in Pennsylvania already have stormwater fee systems in place—and these numbers are growing. Nation-wide, more than 1,400 jurisdictions—including large cities like Houston and Tampa—have similar policies in place—and they are working.

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CHESAPEAKE BAY FOUNDATION
Saving a National Treasure

Founded in 1967, the Chesapeake Bay Foundation is a nonprofit 501(c)(3) conservation organization dedicated to saving a national treasure—the Chesapeake Bay and its rivers and streams. Its motto, Save the Bay, defines the organization's mission and commitment. With headquarters in Annapolis, MD, offices in Maryland, Virginia, Pennsylvania, and the District of Columbia, and 17 field centers, CBF works throughout the Chesapeake Bay's 64,000-square-mile watershed to build an informed citizenry, advocate pollution-reduction strategy, and enforce the law. CBF is supported by more than 200,000 active members and has a staff of 170 full-time employees. Approximately 80 percent of CBF's \$23.6 million annual budget is privately raised.