



February 23, 2022

The Honorable Kumar P. Barve, Chair
House Environment and Transportation Committee
House Office Building, Room 251
6 Bladen St., Annapolis, MD 21401

Oppose: HB 649 – Discharge Permits – Inspections and Administrative Continuations

Dear Chair Barve and Committee Members:

The NAIOP Maryland Chapters representing more than 700 companies involved in all aspects of commercial, industrial and mixed-use real estate. NAIOP is opposed to HB 649 as introduced.

The bill takes steps to make timelier the renewal of water discharge permits administered by MDE. The bill:

- limits MDE's authority to administratively continue water discharge permits when they expire
- requires MDE to reduce the backlog of active permits that have been administratively continued
- increases the frequency of inspections on sites operating under an administratively continued permit,
- and imposes fines for permits in *Significant Noncompliance*.

NAIOP has several concerns:

- Limiting MDE's administrative continuance of a permit threatens the operations of a permitted entity even if the delay in renewal is out of the control of the permittee. The Secretary should be granted discretion.
- While appearing to focus on individual discharge permits the bill also affects activities under the general permit for construction and general permit for industrial discharges. We do not see why.
- The limited time for continuation and the monthly inspection and fines for non-compliance do not align well with the time needed for remediation which may require acquisition of permits and construction of new facilities.
- There is no reason to expect higher rates of non-compliance from a permit that is administratively continued and do not see the need for more frequent inspections.
- While the bill mentions some parameters for Significant Noncompliance it is not defined in the law.

For these reasons NAIOP cannot support the bill as introduced.

Sincerely;

Tom Ballentine, Vice President for Policy
NAIOP Maryland Chapters -*The Association for Commercial Real Estate*

cc: House Environment and Transportation Committee Members
Nick Manis – Manis, Canning Assoc.