



House Bill 193

Nutrient Management – Phosphorus Risk Assessment Tool or Index – Economic Impact Analysis

MACo Position: **SUPPORT**

To: Environmental Matters Committee

Date: January 30, 2014

From: Leslie Knapp, Jr.

The Maryland Association of Counties (MACo) **SUPPORTS** House Bill 193. The bill would simply require an assessment of the economic costs and benefits to farmers before the Maryland Department of Agriculture (MDA) imposes certain new phosphorus management regulations.

HB 193 would require MDA to conduct an economic impact analysis prior to making any change to either: (1) the phosphorus risk assessment tool or index; or (2) the phosphorus management tool. The economic analysis would report on the costs and fiscal benefits of individuals subject to a nutrient management plan (*i.e.*, farmers). In preparing the analysis, MDA would have to consult with other units of state government; local governments; members of the agricultural community; and representatives of the lawn care, biosolids, and fertilizer industries, as appropriate.

Agriculture remains a key industry and an important source of revenue for many rural counties; there has been great concern in the agricultural community about MDA-proposed regulatory changes regarding phosphorus management. While MACo believes that the agricultural community should address its nutrient runoff as required per the Chesapeake Bay Total Maximum Daily Load (TMDL) and local TMDLs, it is not unreasonable to assess the potential economic impacts of any proposed new requirements. While MDA has stated that it plans to pursue an economic impact analysis in this instance, there is no guarantee such an analysis would be performed for future changes to phosphorus management policy and HB 193 would codify such a requirement.

HB 193 does not prevent MDA from making regulatory changes regarding phosphorus measurement and reduction for agricultural properties. Instead, it merely requires an analysis of the potential costs and benefits to farmers before such a change could be made. Accordingly, MACo recommends the Committee issue a **FAVORABLE** report on HB 193.