



Bay Restoration Fees

- \$5 per month per household for citizens on sewer
- \$60 annual fee per household for citizens served by a septic system
- Businesses pay \$5 per month per equivalent dwelling unit (EDU) up to 2,000 EDUs. Fee is capped at \$120,000 per year.

The legislation that revised BRF fees requires local governments to establish programs to exempt low-income residents from the fees. In addition, a local government that implements a stormwater utility fee will be provided with BRF funding for stormwater pollution controls. All increased fees will sunset after 2030 back to the original fee structure.

For more information contact:
Water Quality Financing Administration
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BAY RESTORATION FUND

INVESTING IN THE FUTURE OF
THE CHESAPEAKE BAY

Information Guide





Bay Restoration Fees

Upgrades & Eligibility

Our Progress

What is the Bay Restoration Fund and what does it pay for?

The Chesapeake Bay has experienced a decline in water quality due to over enrichment of nutrients phosphorus and nitrogen. Nutrient pollution can lead to reduced levels of the oxygen needed by aquatic life and can contaminate drinking water.

The Bay Restoration Fund (BRF) was created to help pay for upgrades to wastewater treatment plants to reduce the levels of the nutrients entering the Atlantic Coastal Bays, the Chesapeake Bay and its tributaries. BRF fees also pay to upgrade septic systems with the best available technology for nitrogen reduction. The fees also provide funding to plant cover crops that reduce nutrient pollution entering our groundwater and streams.

There are approximately 420,000 septic systems in Maryland. Of these, 52,000 systems are located within the “Critical Area,” land within 1,000 feet of tidal waters. The typical septic system does not remove nitrogen; it instead delivers about 24 pounds of nitrogen per year to the groundwater. An upgraded, nitrogen-removing septic system cuts a system’s nitrogen load in half.

Consistent with Maryland law, MDE prioritizes funding for septic system upgrades toward those systems that pose the greatest threat to clean waterways and drinking water, following this criterion:

1. Failing septic systems in the Critical Area (land within 1,000 feet of tidal waters)
2. Failing septic systems outside the Critical Area
3. Non-conforming septic systems and new installation in the Critical Area
4. Non-conforming septic systems outside the Critical Area
5. Other upgrades within the Critical Area, including new construction
6. Other upgrades outside of the Critical Area, including new construction

Maryland’s program to upgrade septic systems with nitrogen-reducing technology is administered by local jurisdictions. Information about county contacts can be found online at: <http://bit.ly/brflocals>.

Grant money can be used toward the cost of the upgrade, which includes five years of operations and maintenance. The amount of assistance (up to 100 percent in some cases) is determined based on income guidelines. For more information visit: bit.ly/MDESepticUpgradeProgram

The Bay Restoration Fees collected from Sewer users are initially being used to upgrade the major (design flow less than 0.5 million gallons per day) 67 wastewater treatment plants (WWTPs) to enhanced nutrient removal treatment levels (less than 3 milligrams per liter of nitrogen) by 2017, at an estimated cost of \$1.3 billion. These upgrades are expected to reduce nitrogen loading to the Chesapeake Bay by 7.5 million pounds per year. The source of funding for the upgrades is from the fee cash receipts and the issuance of revenue bond debt. The status of the 67 major WWTP upgrades as of March 2014 is: 34 WWTPs in operation, 20 under construction, and 13 in planning/design.

The signing of Senate Bill 320 in 2004 initiated Maryland’s efforts to further reduce nitrogen and phosphorus in the Bay. During the 2012 legislative session, House Bill 446 doubled the BRF fee for most users served by wastewater treatment plants and those using on-site sewage disposal (septic) systems.

Since 2004 more than 5,000 septic systems have been upgraded with technology to remove nitrogen. The increased fee allows for more than 1,300 septic systems to be upgraded annually. The BRF fee increase supports more than 1,000 jobs annually. These jobs cannot be outsourced and will benefit Maryland families with clean water for years to come.

All BRF-funded ENR upgrades are closely monitored by MDE through planning, design, construction, and implementation, and are overseen monthly by the Governor through BayStat, a monthly meeting of cabinet-level state officials where updated Bay-related data are reviewed and discussed.

MDE submits a monthly report to BayStat showing the status of each ENR upgrade; a recent BayStat ENR monthly report is available via: <http://bit.ly/ENRstatus>. These monthly reports show expected completion dates for each step of the process at each location, and highlight delays and other key changes in status.