

Department of Legislative Services
Maryland General Assembly
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FISCAL AND POLICY NOTE
First Reader

House Bill 1621 (Delegate Grammer)
Environment and Transportation

Wastewater Treatment Plants - Discharges - Monitoring, Reporting, and Requirements

This bill establishes monitoring, evaluation, reporting, and other requirements for the Maryland Department of the Environment (MDE) and wastewater treatment plants (WWTPs) related to hormones, PFAS, and bacteria in effluent discharged from WWTPs. In addition, MDE must establish (1) bacterial action levels for WWTP effluent; (2) a process for the public to subscribe to receive real-time alerts when a bacterial action level is exceeded; and (3) a publicly available and searchable database that includes specified information about industrial users that hold a pretreatment permit. MDE must also adopt regulations to implement specified provisions of the bill. The bill establishes additional requirements for WWTPs that have a discharge permit to process at least 50.0 million gallons of effluent per day. A WWTP that fails to meet specified provisions of the bill or is found to have discharged effluent containing hormones, PFAS, or bacteria beyond the limits of its discharge permit, as specified, may not take part in the State’s Water Quality Trading (WQT) Program. Finally, the bill alters public notice procedures related to sewer overflows and treatment plant bypasses.

Fiscal Summary

State Effect: Based on preliminary information, State expenditures (multiple funds) – including general fund expenditures for MDE – increase, likely significantly, beginning in FY 2027. Maryland Department of Health (MDH) general fund revenues may also increase beginning in FY 2027 from reimbursements for water quality testing, as discussed below. Nonbudgeted expenditures may increase beginning in FY 2027; nonbudgeted revenues increase correspondingly. Other potential effects are discussed below.

Local Effect: Local government expenditures increase, likely significantly for at least some local jurisdictions (including Baltimore City), beginning in FY 2027, as discussed below. Other potential effects on local finances are discussed below. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: Potential meaningful.

Analysis

Bill Summary:

Requirements for the Maryland Department of the Environment

MDE must (1) monitor effluent discharged from WWTPs for hormones, PFAS, and bacteria and (2) evaluate whether the effluent discharged from WWTPs contains hormones, PFAS, or bacteria beyond the limits of the WWTP's discharge permit.

MDE must also establish (1) bacterial action levels for effluent from WWTPs and (2) a process for members of the public to subscribe to receive real-time alerts when a bacterial action level established under the bill is exceeded.

In addition, MDE must establish a publicly available and searchable database that includes (1) a list of all industrial users that hold a pretreatment permit; (2) which pollutants are being discharged by each pretreatment permit holder; (3) whether each pretreatment permit holder is complying with their permit; and (4) which enforcement actions have been taken against a pretreatment permit holder that has violated their permit.

Requirements and Restrictions for Wastewater Treatment Plants

If a WWTP exceeds the bacterial action level established by MDE pursuant to the bill, the WWTP must immediately provide notice on its website.

Wastewater Treatment Plants Permitted to Discharge Less than 50.0 Million Gallons per Day: Each WWTP that has a discharge permit to process less than 50.0 million gallons of effluent per day must, by December 31, 2027, and each December 31 thereafter, report to the General Assembly on the WWTP's staffing and management plan.

Wastewater Treatment Plants Permitted to Discharge at Least 50.0 Million Gallons per Day: Each WWTP that has a discharge permit to process at least 50.0 million gallons of effluent per day must (1) by June 30, 2027, and every six months thereafter, report to the General Assembly on the WWTP's staffing and management plan; (2) keep any sewage sludge or dry solid holding area physically enclosed; and (3) capture or treat any vapors emitted from the plant that may affect the public. Additionally, each such WWTP must maintain a publicly accessible website and post the following on the website:

- a daily report on the total bacteria discharged from the WWTP;
- a plain language explanation of (1) any bypass, overflow, or treatment failure and (2) to the extent possible, the estimated duration, affected waterways, and potential

public health and environmental impacts of the bypass, overflow, or treatment failure;

- within 24 hours of a bypass, overflow, or treatment failure that requires testing for specified contaminants, the test results; and
- within 14 days of any event or occurrence that results in the WWTP discharging effluent that contains hormones, PFAS, or bacteria beyond the limits of the WWTP's discharge permit, (1) the cause of the event or occurrence; (2) corrective actions taken; and (3) measures implemented to prevent reoccurrence.

Water Quality Trading Program Restrictions: If a WWTP fails to meet the above requirements or is found to have discharged effluent containing hormones, PFAS, or bacteria beyond the WWTP's discharge permit limits for two consecutive months, the WWTP may not take part in the WQT Program for the remaining period of the WWTP's discharge permit. Additionally, MDE is authorized to deny, suspend, or revoke the approval or certification of WQT program credits if it finds that a WWTP has a history of discharging effluent containing hormones, PFAS, or bacteria beyond the limits of the WWTP's discharge permit.

Alterations to Required Notification of Sewer Overflows or Treatment Plant Bypasses

Current law requires MDE, in cooperation with MDH, local health departments (LHDs), and local environmental health directors, to develop procedures for requiring the owner or operator of any sanitary sewer system, combined sewer system, or WWTP to provide public notification of a sewer overflow or treatment plant bypass. The bill requires these procedures to be *automated*.

Under current law, among other requirements, the above procedures must require notification *within a reasonable time* of a sewer overflow or treatment plant bypass to appropriate downstream jurisdictions, appropriate county governments, State parks affected by the event, the Department of Natural Resources (DNR), and any other local, State, or federal land manager impacted by the event. Under the bill, this notification must be *immediate* (rather than within a reasonable time).

Current Law:

Federal Clean Water Act

The federal Clean Water Act (CWA) establishes the basic structure for regulating discharges of pollutants into the waters of the United States. CWA requires the U.S. Environmental Protection Agency (EPA) to establish technology-based effluent (*i.e.*, discharge) limits for industrial dischargers, known as effluent limitation guidelines. The National Pollutant Discharge Elimination System (NPDES), a component of CWA, is

a permit program that addresses water pollution by regulating point sources that discharge pollutants to U.S. waters. In Maryland, EPA delegates authority to issue NPDES permits to MDE.

State Permitting for Wastewater Discharges

In General: MDE issues discharge permits to protect Maryland’s water resources by controlling industrial and municipal wastewater discharges. Surface water discharges are regulated through combined State and federal permits under NPDES. Groundwater discharges are regulated through State-issued groundwater discharge permits. “Discharge permit” is defined in statute as a permit issued by MDE for the discharge of any pollutant or combination of pollutants into the waters of the State.

Applicability: A person must generally hold an MDE discharge permit before constructing, installing, modifying, extending, altering, or operating a system, facility, outlet, or establishment if its operation could cause or increase the discharge of pollutants into the waters of the State. This permitting requirement applies to (1) an industrial, commercial, or recreation facility or disposal system; (2) a State-owned treatment facility; or (3) any other outlet or establishment.

National Pretreatment Program and State Implementation

Under CWA, EPA established the National Pretreatment Program to control pollutants discharged by industrial and commercial facilities into municipal WWTPs or publicly owned treatment works (POTWs). These discharges, if not properly managed, can interfere with treatment processes, contaminate biosolids, or pass through untreated into receiving waters.

In Maryland, EPA delegates pretreatment authority to MDE. In turn, MDE requires certain local jurisdictions and/or POTWs to develop, implement, and enforce local pretreatment programs whenever they receive wastewater from Significant Industrial Users (SIUs). SIUs are industries that discharge large volumes of wastewater or release significant amounts of toxic pollutants into a municipal wastewater treatment system. These local programs issue permits to SIUs, set discharge limits, conduct inspections and sampling, and take enforcement action as necessary.

Federal Regulation and Recommendations Regarding PFAS Contamination

As part of its comprehensive national strategy to combat PFAS pollution, called the “Strategic Roadmap,” EPA has taken steps to restrict, remediate, and research PFAS contamination and impacts. To that end, EPA has taken several actions under numerous federal laws designed to protect human health and the environment, including under CWA.

On January 14, 2025, EPA issued a [draft risk assessment](#) of the potential human health risks associated with the presence of PFAS chemicals in biosolids. Once finalized, EPA will use the risk assessment to help inform future risk management actions for perfluorooctanoic acid and perfluorooctane sulfonic acid in sewage sludge. The preliminary findings of the draft risk assessment indicate that there may be human health risks associated with exposure to PFAS with all three methods of using or disposing of sewage sludge – land application of biosolids, surface disposal in landfills, and incineration.

Additionally, pursuant to a December 2022 [memo](#), EPA currently recommends pretreatment best practices to reduce PFAS from sources and quarterly monitoring of influent, effluent, and sewage sludge using EPA Method 1633, a CWA analytical method to test for PFAS compounds in wastewater and other environmental media.

Notification of Sewer Overflows and Treatment Plant Bypasses

The owner or operator of any sanitary sewer system, combined sewer system, or WWTP must report to MDE any sewer overflow or treatment bypass that results in the direct or potential discharge of raw or diluted sewage into the surface waters or groundwaters of the State. This report must be made as soon as practicable but no later than 24 hours after the time that the owner or operator became aware of the event. Within five calendar days after notification of the event, the owner or operator must submit a written report of the incident to MDE.

MDE, in coordination with MDH, LHDs, and local environmental health directors, must develop procedures for requiring the owner or operator of any sanitary sewer system, combined sewer system, or WWTP to provide public notification of a sewer overflow or treatment plant bypass. These procedures must require that the notification:

- be posted on the MDE, MDH, and LHD websites;
- be posted at the location of the overflow or bypass in Spanish and English;
- be posted on any social media websites on which an LHD regularly posts information; and
- be provided *within a reasonable time* to the appropriate downstream jurisdictions and county governments, affected State parks, DNR, and any other affected local, State, or federal land manager.

Maryland's Water Quality Trading Program

Maryland's WQT Program creates a public market for nitrogen, phosphorus, and sediment reductions. This voluntary program is a collaborative effort between MDE and the Maryland Department of Agriculture to enhance the restoration and protection of the

Chesapeake Bay and local waters by accelerating the pace and reducing the cost of implementation efforts.

State/Local/Small Business Effect:

Maryland Department of the Environment

MDE was unable to provide a specific estimate of its costs to implement the bill but anticipates that its general fund expenditures increase significantly beginning in fiscal 2027. The Department of Legislative Services (DLS) concurs and advises that MDE general fund expenditures increase, likely significantly, beginning in fiscal 2027 for staff, equipment, and potentially programming/contractual costs to (1) monitor and evaluate WWTP effluent for hormones, PFAS, and bacteria (discussed in more detail below); (2) establish bacterial action levels for WWTP effluent and a process for the public to subscribe to receive related real-time alerts; (3) coordinate with specified State and local entities to update the procedures for owners or operators of sanitary sewer systems, combined sewer systems, and WWTPs to provide public notification regarding sewer overflows or treatment plant bypasses; (4) establish a publicly available and searchable database with required information about industrial users that hold pretreatment permits; (5) adopt regulations; and (6) generally implement the bill.

Water Quality Testing Costs

MDH's Laboratories Administration provides analytical support services for State agencies and program offices throughout the State and is the primary laboratory in the State that conducts water testing for MDE and LHDs. The Laboratories Administration has a memorandum of understanding (MOU) in place with MDE to recoup related water testing costs. Under the bill, MDE must monitor and evaluate whether effluent discharged from WWTPs contains hormones, PFAs, or bacteria beyond their respective discharge permits. According to MDE, there are 532 WWTPs in the State that must be monitored under these requirements. In order to fulfill these requirements, MDE needs to sample and test WWTP effluent.

MDH did not respond to requests for information regarding the fiscal effect of the bill in time for inclusion in this fiscal and policy note. Even so, MDE anticipates, and DLS concurs, that MDE likely incurs significant costs related to water quality testing under the bill. As a result, there *may* be significant fiscal and operational impacts on MDH's Laboratories Administration if MDH conducts the additional water quality testing resulting from the bill (for MDE). Thus, general fund expenditures for MDE, and general fund expenditures and revenues (from reimbursement under the MOU) for MDH's Laboratories Administration may increase, potentially significantly, beginning as early as fiscal 2027 to conduct additional water quality testing under the bill.

Impacts on the Regulated Community

Impacts on Wastewater Treatment Plants Authorized to Discharge at Least 50.0 Million Gallons of Effluent per Day: There are two WWTPs in the State that have discharge permits to process at least 50.0 million gallons of effluent per day (Back River WWTP and Patapsco WWTP, both of which are owned and operated by Baltimore City). Compliance costs for Baltimore City related to these WWTPs are anticipated to be significant. According to the Maryland Association of Municipal Wastewater Agencies (MAMWA), compliance costs for the State's largest WWTPs – in particular, the costs to physically enclose sewage sludge and dry solid holding areas – are significant. MAMWA also notes there may be significant costs to capture or treat vapors emitted from these WWTPs that may affect the public.

Impacts on Wastewater Treatment Plants – In General: Affected owners/operators of WWTPs could include State agencies, local governments, and potentially small businesses. The bill likely results in increased costs for at least some WWTPs in the State, but the magnitude of any such impacts (other than for WWTPs authorized to discharge at least 50.0 million gallons of effluent per day, as discussed above) cannot be reliably estimated absent actual experience under the bill.

In particular, the bill requires MDE to monitor WWTP effluent for hormones, PFAS, and bacteria, and evaluate whether the effluent contains hormones, PFAS, and bacteria beyond the limits of the WWTP's discharge permit. According to MDE, not all WWTPs in the State have PFAS limits in their discharge permits, and no WWTPs have hormone limits in their discharge permits. It is unclear if the bill itself requires MDE to include those substances in all discharge permits. If so, compliance costs to address those substances in effluent could be substantial.

There may also be fiscal and/or operational effects on WWTPs related to the establishment of bacterial action levels for WWTP effluent discharge and the requirement to post "immediate" notice on the WWTP's website when that level is exceeded. Also, to the extent a WWTP is restricted from participating in the State's WQT Program due to noncompliance with the bill's requirements, WWTP finances are likely further affected.

The Maryland Environmental Service (MES) operates approximately 90 WWTPs on behalf of State and local entities throughout the State. As MES is a fee-for-service entity, any costs incurred by MES resulting from the bill are ultimately borne by the entities that contract for MES services through an increase in fees. As a result, MES nonbudgeted expenditures and revenues may increase correspondingly beginning in fiscal 2027.

Other Impacts on the Regulated Community: There may also be fiscal and/or operational effects on owners or operators of any sanitary sewer system, combined sewer system, or WWTP to provide public notification of a sewer overflow or treatment plant bypass *immediately* to appropriate downstream jurisdictions and county governments, affected State parks, DNR, and any other affected local, State, or federal land manager.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Maryland Association of County Health Officers; Maryland Association of Municipal Wastewater Agencies; Maryland Environmental Service; Prince George's County; City of Annapolis; Maryland Department of the Environment; Department of Natural Resources; Department of Legislative Services

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