Maryland League of Conservation Voters

Governor’s Report Card

Martin O’Malley, 2009–2011

Overall Grade

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Dear Fellow Marylanders,

For over thirty years, the Maryland League of Conservation Voters (LCV) has served as the independent political voice for the environment in the state. As the electoral arm of the environmental community, we work to elect pro-environment candidates, advocate for strong conservation policies, and hold our elected officials accountable through our General Assembly Environmental Scorecard and Governor’s Report Card.

After consultation with conservation leaders in the state, the Maryland LCV Board of Directors and staff have prepared this Governor’s Report Card on the administration of Martin O’Malley. Maryland LCV awarded the Governor an overall grade for his performance on the environment based on a number of separately graded categories, which contain a number of detailed issues intended to be representative of the O’Malley Administration’s commitment and actions on environmental issues. The methodology used to prepare this and prior report cards includes a thorough review of departmental and agency actions, policy positions, funding priorities and budget submissions, public statements, environmental advisors, and executive appointments.

Maryland LCV wishes to express our appreciation to all of the organizations and individuals who provided input to this report.

The Maryland LCV is pleased to assign the grade of B+ to Martin O’Malley on this second Governor’s Report Card of his term.

Governor O’Malley made the environment one of the hallmarks of his administration. He not only kept the state’s commitment to restore the Chesapeake Bay, but proposed significant environmental initiatives in each legislative session. Despite confronting a serious budget crisis due to the national economic downturn, Governor O’Malley recognized the economic importance of the environment by continuing to fund environmental priorities such as the Chesapeake Bay Trust Fund and Program Open Space. As the chair of

**Governor Martin O’Malley**

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the Board of Public Works, Governor O’Malley took advantage of the economic climate and approved land acquisitions to preserve open space in Maryland. Governor O’Malley also advocated initiatives to protect Maryland’s environment from global climate change by encouraging renewable energy, energy efficiency, and new transportation alternatives such as plug-in and electrical vehicles. Finally, as Governor O’Malley undertook leadership roles in national organizations, he used these forums to promote environmental priorities to other policy makers both at the federal level and in other states. He has consistently promoted the message of good environmental policy as part of good economic policy.

In sum, the 2009–2011 Governor’s Report Card reveals that Governor Martin O’Malley fell just short of matching one Governor Martin O’Malley for the highest score in the organization’s history. While disappointed with process and outcomes on three particular issues—incinerator tax breaks, stormwater management, and agricultural runoff—the Maryland League of Conservation Voters applauds the bulk of the accomplishments of Governor O’Malley, particularly when viewed through the lens of the worst national economic conditions this nation has seen in 60 years.

Further, when matched against the accomplishments—or lack thereof—of some of his gubernatorial peers during this difficult time in our history, the seemingly visceral environmental ethos this administration displayed to date is noteworthy.

Finally, the Maryland LCV will be offering one final grade to Governor O’Malley’s administration. We will be watching closely to determine whether Governor O’Malley can keep pace with Governor O’Malley, or falls back into the pack with other Governors.

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In Maryland, the primary authority for the state's budget resides with the Governor. And on the budget, Governor O'Malley consistently demonstrated his environmental commitment. In a difficult fiscal situation, Governor O'Malley invested in the economy and created jobs by keeping environmental priorities in his budgets. We look forward to the full funding of key environmental programs and agency staffing levels.

Chesapeake and Atlantic Coastal Bays Trust Fund: **GOOD**
Despite cuts across government, Governor O'Malley provided funds for the Chesapeake Bay Trust Fund. This fund, created in 2008, is dedicated to pay for the strategies that will clean local waters and create green jobs. When others urged this environmental priority be reduced in funds, the Governor continued the needed investment for restoration of the Bay. Although never fully funded at the designated $50 million level, we are encouraged by Governor O'Malley's efforts to sustain the Fund at a significant level despite the state's fiscal situation. We congratulate Governor O'Malley's vision in creating the Trust Fund and his continued support. However, we believe that to restore the Bay and meet the federal government's “pollution diet,” Maryland will need to invest an additional $200 million a year in job creating restoration projects. We look forward to working with Governor O'Malley and the legislature to set additional funding sources.

Program Open Space: **GOOD**
Governor O'Malley has shown foresight and leadership through continued investments to protect our rural heritage, such as land acquisition through Program Open Space. Program Open Space is a nationally recognized program that protects land from development efficiently and effectively. This program uses dedicated funds tied to the real estate market so that preservation can keep pace with development. Governor O'Malley recognizes that land conservation is an opportunity—at tremendous cost savings to the state—despite pressure to end land acquisition. Purchasing land now makes the most of scarce preservation dollars and creates jobs, from appraisers to park development. The Department of Natural Resources (DNR) also developed criteria to help ensure that land purchased is the most appropriate for preservation. With this program, Maryland established state and local parks, preserved agricultural lands, and created playgrounds and other recreational venues. While the Governor bonded this funding, he resisted efforts to abolish this program or divert the dedicated funds. Continued investment by the state is critical to ensure our land is not just a link to our past, but also a path to a vibrant future.

Strategic Energy Investment Fund: **SHOWS PROMISE**
The General Assembly created the Strategic Energy Investment Fund to enable the proceeds of the Regional Greenhouse Gas Initiative (RGGI) carbon allowance auctions to be invested in pollution reductions from various energy programs. The Fund directed the Maryland Energy Administration (MEA) to develop an investment plan. Unfortunately, the Governor's budget in FY 2012 diverted $70 million in funds for short term relief for residential rate payers—especially low-income energy consumers. The diversion of funds delayed investments in long term relief to low-income households through energy efficiency programs such as home weatherization.

We were pleased to see that the Governor's most recent budget did end the diversion, and allocated RGGI auction proceeds in accordance with the creation of the Strategic Energy Investment Fund. We urge the Governor to maintain the level of funding needed to make energy efficiency investments in homes and buildings.

Retention of Environmental Staff: **GOOD**
Despite budget constraints, Governor O'Malley sought to maintain staffing levels at departments and agencies affecting the environment. Through his personnel policies, he tried to balance reduced revenues with the need for government services. He attempted to reduce employee levels through attrition as opposed to layoffs. Furloughs, rather than elimination of positions, kept many valuable members of the environmental agencies on the job. We urge the Governor to use targeted revenues that come to the state from increased fines for polluters to increase staffing levels dedicated to environmental enforcement.
Water Quality: B

As the premier estuary in the nation, the Chesapeake Bay received signature support from President Obama in 2009 when the U.S. Environmental Protection Agency increased funding for protection and restoration of the Bay. In response, the leaders of the affected states, led by Governor O’Malley, reviewed the Chesapeake Bay Agreement to set tighter deadlines for the state to comply with the agreement. Additionally, the federal government now requires each Bay state to craft and implement a Bay pollution diet. Governor O’Malley maintained critical investments in water quality and implemented new regulations on pollution from both farmland and development, all essential to meeting the new restoration deadlines. Sadly, the Bay is still on life support at this time. We believe we are not requiring enough pollution reductions, meeting required reductions, or requiring the right kinds of reductions.

Implementing the Bay Diet: SHOWS PROMISE

While some progress has been made in Bay restoration, pollution in other areas has increased, leaving the Bay stifled by too much nitrogen, phosphorous, and sediment. From the federal government down, our elected officials are finally requiring plans that require real results—results they will be held accountable for every two years. Governor O’Malley led this process and pushed Maryland to meet its deadlines on an accelerated schedule, making Maryland’s plan the strongest in the watershed. But many questions remain unanswered. Now, counties are drafting plans for cleaning local waters. The administration must review those plans carefully and hold counties accountable for implementing their proposals. The administration must also finalize nutrient trading plans and account for future growth.

Wastewater Treatment Plant Upgrades: SHOWS PROMISE

Maryland cannot hope to clean its waters unless we tackle a major source of pollution: wastewater treatment plants. The “flush tax” provides a source of funding to reduce the pollution loads from our largest plants. During its tenure, the O’Malley administration has proven its dedication to wastewater treatment plant upgrades. The administration kept the state on track, allocating all the funds to their appropriate use and upgrading plants across the state on schedule. Maryland also used Federal stimulus program funds to make significant upgrades to improve water quality. However, due to rising labor costs over the last several years, the fund will go bankrupt by next year (2012), leaving three of the state’s largest plants without funding for upgrades. The Administration recognized that the fund is not large enough, but has thus far failed to seek the fee increase. The environmental community urges the Governor to raise this much needed funding.

Septic Tank Restrictions: GOOD

We see only two types of septic tank systems: failed and failing. This outdated technology is not regulated for its impacts on water quality, and yet development in rural areas continues to rely on them. While the State is seeking to reduce pollution from all sources, nitrogen from septic systems is projected to increase by more than a third. As an attempt to discourage sprawl development on septic systems, the Governor in his 2011 State of the State address proposed a ban on septic systems for large subdivisions and a requirement of advanced technology for new systems, particularly poultry farmers located on the Eastern Shore, which pollute our waters with their sizable amounts of waste and by-products. In order to balance a profitable farming and cleanup of the Chesapeake Bay watershed, the Maryland Department of the Environment (MDE) implemented new guidelines regarding Concentrated Animal Feeding Operations (CAFOs). The rules and guidelines promulgated by MDE with significant input from the environmental community are clearer and more understandable, for the farmer. It is hoped they will lead to cleaner water and fewer “dead zones” in the Bay.

To meet our pollution diet, the Department of Agriculture recently drafted changes to the nutrient application guidelines, such as buffers, stream fencing, and the timing of fertilizer application, all of which the environmental community sees as strong...
Climate Change: A

Climate change remains the most serious concern facing Maryland’s future. The inevitable sea level rise caused by global warming is a primary concern to Maryland with over 3,100 miles of shoreline. The state will suffer serious environmental, economic, and agricultural damage unless action is taken to address the climate change. With the lack of action by the Federal Government and the retrenchment by some of our neighboring states, Governor O’Malley has shown tremendous leadership in continuing Maryland’s efforts to recognize and respond to climate change.

Greenhouse Gas Emissions Reduction Act: GOOD

The 2009 passage of the Greenhouse Gas Emissions Reduction Act, a priority for the environmental community, made Maryland a national leader in addressing climate change. The Act requires the state to reduce global warming pollution by 25% steps toward pollution reductions. While we are encouraged by these draft regulations, we are concerned about the uncertainty of their strength, due to the delay in their introduction at the time of this printing, the likelihood of their adoption, and the inability of the public to verify pollution reductions from agricultural sources. We understand the need to protect proprietary information in the Nutrient Management Plans, but it is critical that all sectors be held accountable. Additionally, to meet our pollution diet the state must set new standards for when fertilizers that contain phosphorous can be applied to already saturated soils.

Stormwater Runoff: SHOWS PROMISE

Runoff from urban areas—parking lots, rooftops, and roads—is a significant source of pollution in our waters. It is the only source of pollution that has continued to rise over the last decade. In 2007, Governor O’Malley signed the Stormwater Management Act, which was a systematic attempt to control runoff from new development. Environmental advocates met with officials at the Department of the Environment (MDE) to ensure the regulations fully enforced the new law. The final regulations did not meet every need, but they were a significant step forward and Maryland LCV accepted them. However, some developers sought to weaken and delay the regulations during the 2010 General Assembly session. While the regulations put forward by MDE were a compromise, the environmental community worked with the Administration to resist legislation which would revise or delay the regulations. The proposed legislation would have undercut the first real effort by the State to address stormwater pollution. A legislative committee amended MDE’s proposed regulations to allow the grandfathering of certain projects already in development only if they met a construction deadline to qualify. More importantly, the requirements of developers to remedy stormwater runoff were not changed from those proposed by MDE.

While that battle is behind us, MDE is already working on the next round. Large urban areas are required to hold pollution permits under the Federal Clean Water Act. MDE is drafting a template permit that could be applied to most of the urban areas in the state. The environmental community is eager to see a more progressive regulatory effort than we saw in 2010, as well as a dedicated source of revenue to reduce stormwater pollution.
Energy:  B+

Throughout Governor O’Malley’s tenure, energy has been one of the most important issues faced by state government, as well as an area where Maryland showed national leadership. Governor O’Malley pursued a far-sighted agenda on energy that balanced the needs of keeping the lights on and making energy affordable. He also created incentives for future energy innovations such as plug-in hybrid vehicles and diversified the energy supply, both of which will protect our air and water. Governor O’Malley also responded to the challenge of the natural gas extraction process known as hydro-fracturing or “fracking” by issuing an executive order to establish a task force. In the 2011 General Assembly session, Governor O’Malley proposed a bill to provide financing to develop offshore wind projects to provide the most significantly sized renewable energy project in Maryland history.

Meeting the mandated reductions will require significant investments in clean energy, energy efficiency upgrades, and pollution reduction. The act will spur economic investment in renewable energy and energy efficient technologies, which will create good local jobs. This law represents Maryland's attempt to address the root cause of climate change, and will help to stem coastal sea level rise, as well to ensure healthier air.

Climate Action Plan: GOOD
Under an executive order, Governor O'Malley created the Maryland Commission on Climate Change consisting of representatives of the various stakeholders affected by climate change to develop a climate action plan. The composition of the working groups, which drafted and released the first phase of the plan in 2008 and the most recent phase in January of 2011, ensured a voice from every affected party. The groundwork, ideas developed, and aggressive goals set in this comprehensive plan were crucial for eventual passage of the Greenhouse Gas Emissions Reduction Act and will be critical for the passage of additional policies listed in the plan to address and adapt to climate change.

Regional Greenhouse Gas Initiative: GOOD
Governor O’Malley continued Maryland’s participation in the coalition of Northeast states known as the Regional Greenhouse Gas Initiative (RGGI) formed to reduce greenhouse gas emissions and establish a cap and trade system for carbon pollution allowances from large power plants. The proceeds from the auction of carbon allowances are placed in the Strategic Energy Investment Fund. We applaud Governor O’Malley’s commitment to RGGI, despite the withdrawal of two states from the coalition (New Jersey and Rhode Island). RGGI continues to be a model for a potential national cap and trade system, one way to raise capital for investments in clean energy.

Solar Energy Incentives and Net Metering: GOOD
Maryland has been a leader in solar energy development, and Governor O’Malley created a specific dedicated allocation for solar energy in the state Renewable Portfolio Standard (RPS), which requires that a percentage of the state’s energy supply come from renewable energy. This carve-out in the RPS will increase solar energy deployment both for commercial and residential applications. In the 2010 General Assembly session, Governor O’Malley sponsored legislation to increase the compliance penalty: this provides incentives for utilities to invest in solar projects rather than pay fees. The MEA was diligent in its fight to pass this legislation despite attempts to weaken it.

One of the ways to encourage job-creating small scale residential solar energy is through what is known as net metering. Under net metering, utilities pay customers for any surplus energy generated by the customer’s renewable energy system. This incentive helps to pay for the installation of the renewable system. When the bill mandating the net metering payments
passed in the 2010 session it did not create the proper incentive when implemented by the Public Service Commission. The O’Malley Administration sponsored legislation that passed in the 2011 session to correct the flaws of the earlier bill and create a more robust market for renewables.

An effective way to reduce overall electricity demand is through solar water heaters, a particular aspect of a household’s overall electricity demand that can be met through solar energy. As an incentive to encourage homeowners to invest in solar water heaters, the O’Malley Administration sponsored a bill in the 2011 Session to include these systems in the state’s Renewable Portfolio Standard, making purchasers eligible for renewable energy tax credits.

Off-shore Wind: **GOOD**

Maryland will not meet its legally mandated RPS goal in 2020, without large scale renewable projects. Due to Maryland’s location on the Atlantic coast, the most significantly sized renewable energy resource available is offshore wind. Maryland’s geography limits the available sites for onshore wind and for large solar energy generating facilities. Because offshore wind facilities are large, the capital costs for construction are high. The economic downturn caused banks and financial institutions to stop funding energy generating facilities without a guaranteed revenue stream. Therefore, Governor O’Malley in the 2011 session proposed a bill to authorize the Public Service Commission to require utilities to buy the electricity provided by an offshore wind facility through a purchase-power agreement. The arrangement would provide the financial certainty that the leading institutions require to finance such a project.

The Administration is also working to create an offshore wind industry in Maryland including not only construction jobs, but a potential component manufacturer to supply offshore wind facilities expected to be built along the Atlantic coastline. Marylanders know that it’s worth the price of one cup of coffee a month ($2) to have cleaner air, less climate pollution, healthier citizens, thousands of new jobs, and clean, domestic energy for Maryland families. Offshore wind is the best deal for Maryland’s families over the long-term, offering stable prices and relief from ever-rising fossil fuel costs.

The bill was not enacted by the General Assembly due to concerns regarding the costs of the project and misconceptions about the purchase power agreement mechanism and the impact on consumer’s bills. The General Assembly scheduled a summer study to seek further information on these concerns. We applaud the Governor’s leadership in proposing the bill and the dedication of his administration in their efforts to pass it.

Hydraulic Fracturing: **GOOD**

The multi-state natural gas reservoir known as the Marcellus Shale area extends into Garrett County, Maryland. This large domestically available source of natural gas is a very attractive energy supply since natural gas has fewer emissions than other fossil fuels. Out of state energy producers sought leases and drilling permits to access this source, as happened in other states such as Pennsylvania. However, the geologic properties of this gas require an extraction process known as hydraulic “fracking” whereby a combination of chemicals and water are injected into the rock formations in order to release the natural gas. The result is that the mixture, along with the natural gas, comes to the surface. Local residents and environmentalists raised serious questions and concerns about the potential dangers of the process and its impact on the groundwater supplies. In other states, the extraction spoils of chemicals and contaminated water spilled, affecting streams, rivers, and land.

Maryland’s current regulations for drilling do not adequately protect the environment from this drilling process. Given the problems fracking appears to have caused...
in other states, during the 2011 legislative session the environmental community supported a ban on drilling for two years to permit a full investigation of the method and its effects. When the General Assembly did not pass the bill for the ban, Governor O’Malley by executive order created a task force to examine all aspects of this process and its consequences on Maryland’s environment. Until the task force finishes its work, MDE will not issue any drilling permits for this method of natural gas extraction. We will continue to insist that all concerns about fracking be addressed before drilling permits are issued by MDE. Additionally, we urge that permitting revenues be reserved for water quality restoration.

Incentives for Waste to Energy Facilities: FAILING

When Maryland adopted a RPS, legislators created two tiers of requirements for various sources of renewable energy. They designated wind (on and offshore), solar, geothermal, and some forms of bio-energy, as “Tier 1” for new, clean, renewable sources that qualify for the highest incentive for commercialization. “Tier 2” contained renewable sources such as hydro and waste to energy facilities (generally incinerators) which were renewable but were not new sources nor as clean as Tier 1. This system provided incentives for all sources of renewable energy but, gave a larger incentive to wind and solar. In the 2011 General Assembly session, a bill proposed to move waste to energy facilities from Tier 2 to Tier 1, arguably to support a purposed new facility; however, the bill affected all waste-to-energy facilities. We opposed the bill because it would undermine the original intent and goals of the RPS law to encourage clean energy generation and reduce incentives in the RPS for new, clean, renewable sources. Further, it was excessive to extend the Tier 1 incentive to existing facilities with contracts for their energy output. We asked Governor O’Malley to veto the bill; unfortunately he decided to sign it. This action is counter to Maryland’s goal of providing incentives for clean and renewable sources of energy and will result in a misrepresentation of achievement of RPS goals.

EmPower Maryland: NEEDS IMPROVEMENT

One of Governor O’Malley’s signature achievements of his first term was enactment of EmPower Maryland which committed the state to reduce overall energy usage and peak demand. Maryland’s Energy Administration (MEA) directs the state’s effort to reduce energy usage working with government, utilities, and business on energy efficient programs and policies. The state succeeded in reducing peak demand, the most expensive electricity, and MEA utilized federal stimulus funds to complete energy efficiency projects.

A recent Maryland PIRG report discussed the potential problem of the state falling short of the overall usage reduction goal in EmPower Maryland. This usage reduction is a more difficult achievement than the peak demand reduction. The report pointed to the Public Service Commission as a possible impediment to achieving the goal. The Commission, as regulator of utilities, must approve all of utilities’ expenditures for energy efficient activities. The PIRG report suggested the Commission’s over-regulatory approach stifles incentives for utilities to try bold programs. While the Commission is an independent entity, the Governor and his staff should work with the Commission along with MEA to make appropriate adjustments to the regulatory process to help Maryland meet the usage reduction goal.

Long Term Electricity Planning Report: GOOD

Maryland does not have a long-term plan. During the 2010 General Assembly session, the environmental community supported a bill to require the Public Service Commission to oversee the creation of a state energy plan that is consistent with all state environmental laws and to review proposals from energy companies with respect to the state plan and environmental laws. Such a plan would put Maryland on the path towards a clean, reliable and affordable energy future by endeavoring to ensure that energy efficiency and renewable energy are on a level playing field with dirty energy such as fossil fuel power plants and new transmission lines. This process envisioned outreach and consultation with all stakeholders. When the bill did not pass the General Assembly, Governor O’Malley issued an executive order requesting the Department of Natural Resources, in conjunction with state agencies, utility industry, public interest, business and environmental groups, prepare a report on the long term electricity needs of Maryland by December of 2011.
Smart Growth: A–

Sprawling development harms not only the environment, but economic stability and quality of life as well. Despite over ten years of concerted efforts under Maryland’s Smart Growth Program, development continues to consume forest and farmland at a staggering rate. Maryland is on track to lose a third of our remaining open space—roughly 560,000 acres—over the next thirty years. Despite the budget crises, Governor O’Malley has wisely continued to invest in the acquisition of land by the Board of Public Works under Program Open Space, and directed growth back to our communities and towns. We urge reforms in how we grow in our rural lands to ensure a sustainable future for Maryland.

Curbing Rural Sprawl: SHOWS PROMISE

Smart growth is no easy task, and the Governor’s legislative efforts over the last few years demonstrated the complexity of the issues involved. The Governor successfully established a state growth commission, to expand and update the state’s visions for growth, require zoning exceptions to follow the local comprehensive plan, and create a set of indicators for how we are growing. However, the Governor blocked environmentalists’ efforts to require clear, measurable criteria for local planning to hold local governments accountable for their decisions. This past legislative session, as mentioned in the water section of this report, the Governor took up the issue of smart growth once more. Since septic tanks are a significant catalyst to sprawl, his leadership on this bill was a critical step to preserving rural lands.

Revitalization Funding: GOOD

Despite the pressure of the fiscal crisis on state revenues, the O’Malley Administration wisely retained a number of tax credits and funding programs directed at revitalization efforts. These revitalization tools are a critical part of Smart Growth’s strategy of making already developed cities and towns attractive for development. The revitalization tools also permit the rehabilitation of buildings, rather than the tearing down of existing structures to construct new facilities. The O’Malley Administration also sought legislation in 2010 to better integrate and manage Maryland’s revitalization funding programs, including the Historic Tax Credit, the Maryland Main Street program, and the Community Legacy Program, to better support redevelopment.

Base Realignment and Closure (BRAC) Zones and Transit Oriented Development: GOOD

The O’Malley Administration targeted two key growth areas, neighborhoods served by transit and communities that will see population growth from the Base Realignment and Closure Act (BRAC). The administration passed two important bills to support transit oriented development, one that allows the Department of Transportation to invest in neighborhoods around transit stops, and one that allows special taxing authority for local governments to encourage that growth. Under the leadership of Lieutenant Governor Anthony Brown, the administration is also working hard to steer new residents moving here with BRAC into Smart Growth areas referred to as BRAC Zones. The O’Malley Administration should keep pressure on the federal government to provide funds to support the infrastructure needs as a result of BRAC growth and to drive this growth into areas best suited to accommodate it.

PlanMaryland: SHOWS PROMISE

Governor O’Malley and the Maryland Department of Planning recently put forth the state development plan, referred to as PlanMaryland. The plan aims to provide Maryland with a comprehensive policy document to guide both State and local decisions. The environmental community strongly supports this effort to align state agency goals with each other and to focus on a common future. It is hoped that this document will give more clarity to local governments about which actions will be supported by the State and which will not. PlanMaryland, hopefully, will be an invaluable resource for local jurisdictions to avoid conflicts with state goals and those of neighboring jurisdictions. However, some critical changes must be made to the plan to ensure it will make a difference for Maryland’s future. We hope to be able to work with the Governor and Planning Secretary Richard Hall to develop the specifics of PlanMaryland including goals and ways to measure progress.
Transportation: A–

Transportation decisions impact our economy, environment, and the ability of Marylanders to get to work. Maryland’s gridlock and lack of transportation alternatives hurts everyone and hurts the environment, whether by sediment runoff from road construction or exhaust emissions from tailpipes. We must spend our transportation dollars more wisely to repair current infrastructure and then invest the balance strategically on projects with high return, both for residents and for the environment. Governor O’Malley took meaningful steps towards a twenty-first century transportation system, equalizing investments in transit and highways, promoting greener transportation infrastructure, and supporting better analysis of how transportation dollars are spent. But more must be done to make new transit projects a reality.

Transportation Investments: SHOWS PROMISE
Governor O’Malley invested in existing infrastructure and transit systems, and earned national praise for spending stimulus funds to make much-needed repairs and improvements at transit stops. The administration also supported a law enacted during the 2010 General Assembly session that sets criteria to ensure that transportation funds are spent in a way that is best for the environment and local communities. But the Department of Transportation did not fully implement the new law, and much work needs to be done to ensure the state is investing wisely and not continuing the same funding strategies that created the congested, high cost transportation system we have today. Also, impact on existing natural resources must be an integral part of the decision making process for any proposed transportation project in Maryland. Two such proposals, the Cross County Connector in Charles County and the Westphalia Town Center in Prince George’s County are prime examples. As planned, the Cross County Connector would adversely impact key parts of the Mattawoman watershed, and the Westphalia Project would demand multiple new interchanges be built on existing open space along Route 4. Neither project should be allowed to proceed as planned.

Plug-In and Electric Vehicles: GOOD
The next generation of automobiles will use a propulsions system that will not rely on gasoline. Electric vehicles, such as Plug-In hybrid vehicles that run on a dedicated electric charge before resorting to a gasoline engine, are entering the Maryland market. Governor O’Malley supported the national effort to encourage commercial development of these vehicles and proposed a number of incentives such as a state tax credit for purchase that enhances the federal tax credit. He proposed tax credits and other support for the infrastructure improvement of electronic charging stations around the state and requested the General Assembly to create a council made up of government, businesses and public sector groups to develop a plan to support development of these vehicles in Maryland. These vehicles not only reduce the need for imported oil but the emission reductions from vehicles will make the air healthier in the Baltimore-Washington metropolitan area.

Red Line and Purple Line: GOOD
Despite the challenge of constructing significant mass transit projects, the Governor continued to push for the Red Line in Baltimore and the Purple Line extension of the Washington Metro system. Both of these projects will make existing transit systems, the Baltimore Metro and the Washington, D.C. Metro system, more effective and available to a greater number of riders, thus eliminating cars from the roads. The Department of Transportation worked with local governments and stakeholders affected along the routes of these projects to ensure the best possible outcome for residents, commuters, and the environment. We support the Governor’s effort to seek federal funding for completion of these two projects.
Fisheries and Wildlife:  A

The Governor took aggressive action since taking office to preserve and restore native Maryland fish and wildlife. He avoids short cut proposals likely to do harm such as introducing foreign species, but instead sought cooperation from our Chesapeake Bay neighbors in Virginia. Joint actions by the two states addressed both oyster and blue crab restorations. While taking action to restrict harvesting an endangered bay species, he also provided assistance to people who work on the water. His efforts sought to balance the need to take action to protect the long term survival of the species and local jobs.

Oyster Restoration: GOOD
Governor O’Malley wisely avoided the perceived quick fix for oysters, which would have caused more harm, when he prohibited the introduction of Asian oysters in the Bay. He did seek to reach agreements with then Virginia Governor Tim Kaine on joint strategies between the states most recently affected by the Bay on efforts to restore oyster populations. The Governor convinced the General Assembly to enact law to restrict oyster harvest to allow the species to replenish itself. In order to take pressure off of natural oyster systems, he helped to develop an oyster aquaculture inventory in Maryland.

Blue Crab Restoration: GOOD
Governor O’Malley reached an agreement with Virginia officials to impose restrictions on harvesting female crabs. In order to maintain the livelihoods of watermen, Maryland paid them to remove abandoned crab pots from the Bay. This action provided both needed revenue to watermen and their families and provided an important service to the crab population. The concerted efforts by state government and participating watermen have shown results: a recent study of the crab population shows that crabs have increased in numbers by 60% from last year. The crab population is at its highest level in thirteen years.

Rockfish Poaching Enforcement: GOOD
The Department of Natural Resources (DNR) under the leadership of Secretary Griffin and DNR Natural Resources Police Chief George Johnson conducted recent enforcement actions against rockfish poachers. Fishermen illegally caught massive numbers of rockfish in nets left in disguised locations in violation of the catch limits, season restrictions, and harvesting methods. The intent of these poachers is to sell the rockfish to commercial establishments. These actions caused harm to the species, and stopping these illegal actions is one of the success stories of Maryland’s fish restoration efforts. The Governor signed legislation to significantly increase the penalties for these illegal activities.
**Administration and Appointments: B+**

In our 2007–2008 report card, we noted the Governor O’Malley brought an environmental ethic to his administration of state government. We are pleased that he and his staff maintained their environmental ethic despite the pressures of governing in difficult financial times. In the face of environmental rollbacks from economic distress, Governor O’Malley forcefully argued that environmental quality and economic prosperity can exist together. The environmental community found members of Governor O’Malley’s staff and cabinet readily accessible and sought input on policy and programs.

**Cabinet Appointments: GOOD**

As of the date of this report card, some of the officials remain: John Griffin, Secretary of Natural Resources; Richard Hall, Secretary of Planning; Malcolm Woolf, Director of the Maryland Energy Administration; and Margaret McHale, Chair of the Critical Areas Commission. We continue to regard these individuals as high-minded, dedicated public officials who demonstrate the Governor’s environmental ethic. Secretary Griffin oversaw progress on restoration of a number of species in the Chesapeake Bay, particularly the blue crab. Secretary Hall worked to bring Smart Growth back as an effective tool of state government. Director Woolf implemented the state’s plan to increase energy efficiency activities under EmPower Maryland with RGGI and federal stimulus funds. He also led Governor O’Malley’s push for renewable energy including offshore wind. Chair McHale worked to see that counties abide by the provision of the Critical Areas Act and used the Act to enforce compliance by developers who in the past ignored its provisions.

Some members of the Governor’s cabinet have left, but we are pleased that the officials appointed to replace them have been of high quality. The Department of Transportation Secretary, John Porcari, joined President Obama’s Administration. His replacement, Beverly Swain-Staley, continued the Department’s transformation from a highway agency to one that embraces all modes of transportation including mass transit. She worked to apply the principles of Smart Growth and environmental sustainability to transportation policy. Maryland Secretary of the Environment Shari Wilson departed at the end of the Governor’s first term, and Governor O’Malley appointed long-time MDE official and Deputy Secretary Robert Summers. The environmental community publicly urged Mr. Summer’s appointment to one of the most critical positions for the environment in state government.

**Public Service Commission Appointments: GOOD**

In Maryland, the Public Service Commission serves as an independent agency with significant authority over our energy future. In August of 2011, Governor O’Malley appointed Kevin Hughes and Kelly Speakes-Backman to replace two outgoing members of the commission, significantly adding clean energy policy expertise to this critical panel of decision makers. In various public policy roles, Kevin Hughes served under the Glendening, Schaefer, and the O’Malley Administration. As the Governor’s Deputy Legislative Officer since 2007, he focused on several issues including energy policy. Kelly Speakes-Backman spent 20 years in the private sector, working in energy, sustainability, renewable energy, and environmental business strategies across the nation. Most recently, Speakes-Backman served as the Clean Energy Director at the Maryland Energy Administration.

**Environmental Education: GOOD**

Governor O’Malley is a leader in environmental education opportunities. He continues to support Representative Sarbanes’ federal legislation, the No Child Left Inside Act, to provide grants to states that establish environmental literacy plans. Maryland enacted legislation that requires the state Department of Education to establish an environmental curriculum in schools. With input from the environmental community, the Governor and State Board of Education adopted a comprehensive environmental curriculum for schools. This education effort will enlighten Maryland’s students of their unique environment but also the challenges of protecting it.

On a frequent basis, the Maryland Department of the Environment releases information about companies and individuals who are being pursued for non-compliance with the state's environmental laws. These violations range from negligent landlords who are putting children at risk with lead paint to companies that are charged with illegally transporting hazardous waste, and finally power companies who violate air quality requirements. We note that MDE pursued firms violating wetland regulations as well as individuals and contractors not adhering to their water and sediment permit guidelines. Despite some opposition, MDE has not shied away from taking on polluters for violating state environmental laws. While current enforcement is stronger than previous administrations, improvements need to be made. The Maryland Department of the Environment continues to grant permits too easily, issue waivers and variances without thorough review, and fails to update past permits as required by law. The environmental community is frustrated by the slow implementation of these changes.

**Enforcement: SHOWS PROMISE**

Despite the chronic problem of under-staffing at the state’s environmental agencies, Governor O’Malley made enforcement a top priority. The environmental community long supported efforts by the state to enforce existing state pollution laws under the policy that polluters should pay for the damage inflicted on the environment and as a strong deterrent to future violations. It is not fair to businesses that abide by our state environmental laws to allow competitors to gain advantage by violating laws because they perceive lax enforcement.
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