



POSITION STATEMENT

TESTIMONY PRESENTED TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL MATTERS COMMITTEE

SENATE BILL 745 – SHALE GAS DRILLING SAFETY REVIEW ACT OF 2014 *Also HB 1122 to Environmental Matters Committee*

DONALD C. FRY
PRESIDENT & CEO, GREATER BALTIMORE COMMITTEE

POSITION: Oppose

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of more than 500 businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford and Howard counties as well as Baltimore City. The GBC is a 59-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability. It is an organization that prides itself on advocating for changes in public policies that strengthen the business climate while improving the quality of life.

The Greater Baltimore Committee opposes Senate Bill 745—Shale Gas Drilling Safety Review Act of 2014.

Safe, reliable and clean sources of energy are critical to the future economic growth and quality of life for all Marylanders. For these reasons, on June 6, 2011, Governor O'Malley signed an Executive Order establishing the Marcellus Shale Safe Drilling Initiative to ensure that if drilling for natural gas from the Marcellus Shale proceeds in Maryland, it is done in a way that protects public health, safety, natural resources, and the environment.

The Executive Order required the Maryland Department of the Environment (MDE) and the Maryland Department Natural Resources (DNR), in consultation with the Marcellus Shale Safe Drilling Initiative Advisory Commission, to conduct a three-part study. Their final report, including recommendations is due in August, 2014.

Senate Bill 745 would alter the process already in place by prohibiting MDE from issuing a permit or accepting a comprehensive gas development plan for the hydraulic fracturing of a well for the exploration or production of natural gas until:

- Each requirement under the study required by the Governor's June 2011 Executive Order is satisfied;
- 18 months have passed since the date the study required under the executive order is issued; and
- MDE has adopted regulations that are specific to hydraulic fracturing.

Additionally, the bill would require MDE to issue a risk assessment of public health and environmental hazards relating to hydraulic fracturing at the same time as the study required by the executive order.

One of the key pillars of economic growth outlined in our "Gaining the Competitive Edge" report is a stable and predictable regulatory policy that balances legitimate environmental concerns with business development. Adding an additional moratorium on hydraulic fracking when there is already a study underway that will provide guidance on how to best proceed is duplicative and burdensome to business.

It is the GBC's position that the process laid out in the Governor's Executive Order should be allowed to proceed as planned without any additional burdensome requirements.

For the reasons stated above, the Greater Baltimore Committee **urges an unfavorable report on Senate Bill 745.**

GREATER BALTIMORE COMMITTEE

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