

Chesapeake Bay and Water Resources
Policy Committee
November 21, 2025

2026 MD and VA Legislative Preview

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MD Legislative Session

💧 2026 Session Dates (Preliminary)

- ~Jan. 14: General Assembly convenes
- ~Jan. 21: Deadline for Budget Introduction
- ~Feb. 9: Senate Bill Introduction Date
- ~Feb. 13: House Bill Introduction Date
- ~Mar. 23: Crossover
- ~Apr. 6: Budget to Be Passed By Both Chambers
- ~Apr. 13: Adjournment Sine Die
- ~June 2: Governor to Sign Bills by This Date

💧 Dems in Control of Both Houses

- ~32-15 in Senate, 100-40 in House (1 empty seat)
- ~With a Democratic Governor



State Budget



- 💧 **State Ended SFY25 In Better Shape Than Expected**
 - ~Higher than expected personal income and miscellaneous revenues
- 💧 **But SFY27-SFY30 Look Concerning**
 - ~Dept. of Legislative Services (DLS) briefing to House and Senate money committees on Nov. 12, 2025
 - ~Estimates \$1.4 B budget gap (approx. 5X higher than predicted in April)
 - ~See slides below for contributing factors

- Since January, there has been a significant reduction in federal employment. Maryland has seen the largest decline of any state.

	<u>Jan. 2025</u>	<u>Aug. 2025</u>	<u>Change</u>	<u>% Change</u>	<u>Rank</u>
Maryland	163,100	148,000	-15,100	-9.3%	51
D.C.	192,800	184,100	-8,700	-4.5%	44
Virginia	196,700	185,200	-11,500	-5.8%	47
	552,600	517,300	-35,300	-6.4%	
United States	3,015,000	2,918,000	-97,000	-3.2%	

- Since January, Maryland has lost over 15,000 federal government jobs, a decline of 9.3%. Strong growth in State and local government employment has partially offset this so total government jobs are down 0.2%.

Why Is Fiscal 2027 General Fund Outlook Worse Than Post-session?

(\$ in Millions)

Revenues Are Lower \$718

OBBBA Impact	\$371
No Fiscal 2026 Balance Due to Deficiencies	321
Other	26

Ongoing Spending Is Higher \$778

Medicaid Behavioral Health	\$217
K-12 Education (Fund Swap/Retirement Costs)	175
OBBBA	100
Employee Health Insurance/Retirement	100
Various Entitlement Programs	50
Disparity Grant	35
Other	101

Revenue Stabilization Account (Rainy Day Fund)

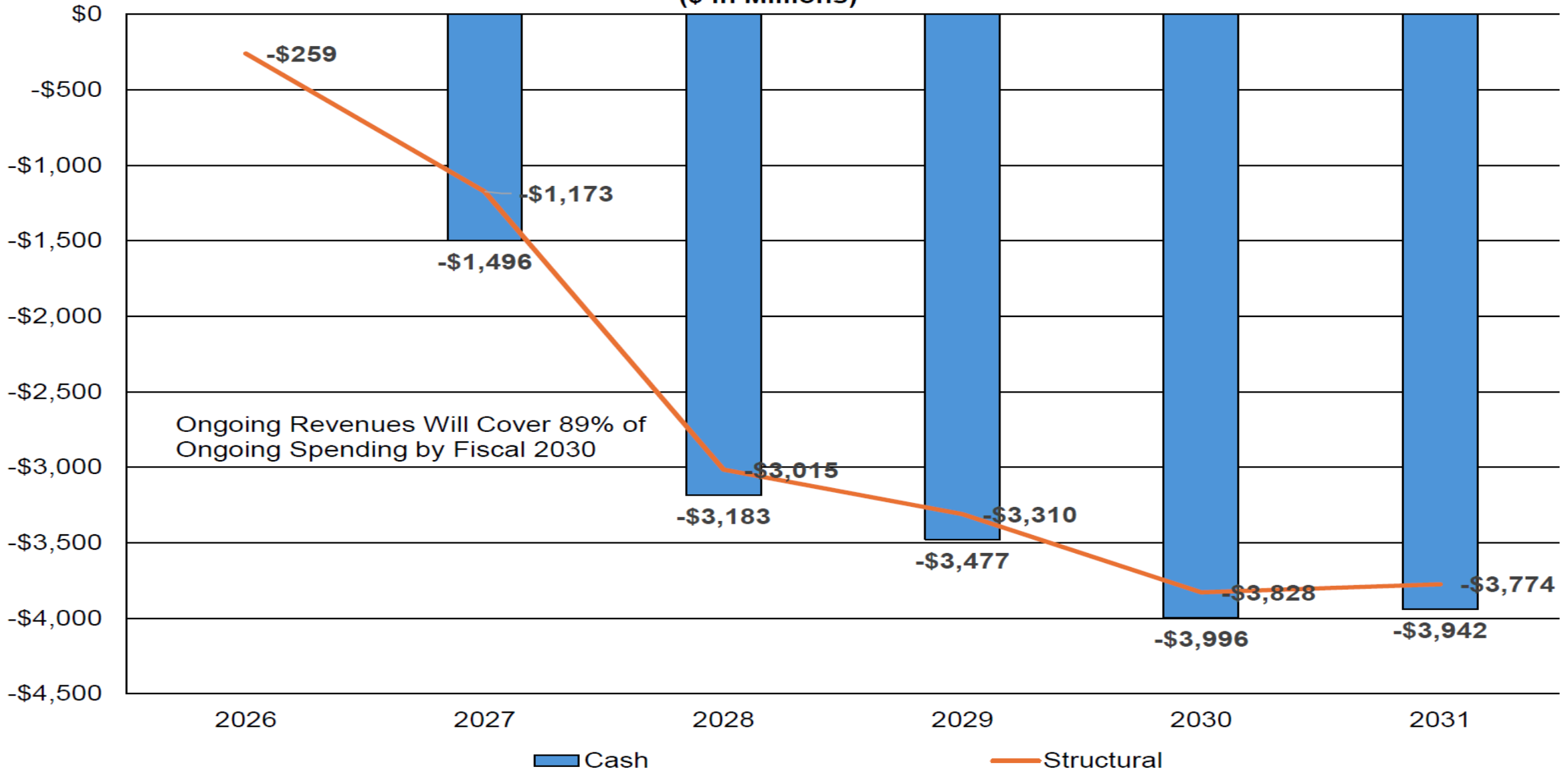
Mandated Appropriation of Amount Equal to Fiscal 2025 Surplus to the Rainy Day Fund	\$450
Use of Rainy Day Fund Balance in Excess of 8% of Revenues	-304

Net Deterioration in Fiscal Outlook \$1,642

OBBBA: One Big Beautiful Bill Act

Cash and Structural Budget Shortfalls Forecast with Rainy Day Fund at about 8% of Revenues

Fiscal 2026-2031
(\$ in Millions)



Implications



💧 **Fiscal Note**

- ~Any bill that has a high fiscal impact will face high hurdles during Session

💧 **Agency Cost Shifting**

- ~Some agencies may be looking for other ways to financially support programs
- ~EX: Administrative penalties, increased fees for permit applications

💧 **Next Year is Election Year**

- ~GA Members looking to reinforce records with constituents before elections
- ~Could see some creative/unusual bills

Potential Topics for 2026 GA



💧 Likely

- ~PFAS (phase-outs, biosolids land application) (see slides below for more details)
- ~Environmental Justice and MDE permitting

💧 Less Likely (But Possible)

- ~Collection and reporting of drinking water data
- ~Boil water advisories
- ~Water utility shut-off limitations

💧 Unlikely

- ~Stream restoration bills (but see slide below)
- ~Sign on-letter encouraging people to send to MD and VA GA Members

Engineered stream “restorations” are civil engineering projects that destroy natural areas, converting streams into engineered stormwater conveyances using heavy equipment to clearcut forests, dig artificial channel shapes, and dump fill material into streams.

If you have not seen an engineered stream “restoration,” [watch a few short videos](https://www.youtube.com/@EngineeredStreamRestoration) (<https://www.youtube.com/@EngineeredStreamRestoration>).

For more details, please read [a one page fact sheet](https://drive.google.com/file/d/1znS7NKVqBzJwS-lkcX3t9pZL_ZF8vIEI/view?usp=sharing) (https://drive.google.com/file/d/1znS7NKVqBzJwS-lkcX3t9pZL_ZF8vIEI/view?usp=sharing).

While this “ask” is not for an outright ban, if regulatory credits are no longer received the number of destructive engineered stream “restorations” will surely decrease. This would demonstrate that these projects are primarily done to meet regulatory requirements, not for environmental concerns. The regulatory requirements (for construction mitigations and control of pollutants) could still be met by dozens of other non-destructive, out-of-stream stormwater control practices. For example, see [Maryland Department of the Environment’s approved list](#), Tables 1 and 2.

Published papers analyzed over 700 engineered “restorations” to show that water quality and ecological function are not improved, are sometimes worse, and less than half stopped stream erosion.

Rather than wasting tax dollars on engineered stream “restorations” and repairing failed ones that will simply get washed out again by storms, this money should be spent on out-of-stream stormwater control projects such as bioretentions, permeable pavement, road-side bioswales, and rain gardens that prevent stream erosion in the first place.

PFAS Bills



💧 **Senator Love Will Introduce 2 Bills**

~Likely to also see cross-filed bills from Delegate Stein

💧 **Bill #1: Product Phase Out Bill**

~Meant to reduce level of PFAS chemicals in State from consumer products

~CA Governor Newsome just vetoed similar bill

~Would have banned cleaning products, dental floss, juvenile products, food packaging, ski wax, cookware with intentionally added PFAS

~From Newsome's veto: "while this bill is well-intentioned, I am deeply concerned about the impact this bill would have on the availability of affordable options in cooking products"

Expected PFAS Bills (cont.)

💧 **Bill #2: Biosolids Bill**

~Would apply to all biosolids land applied in State

💧 **Basic Concepts**

~Ban on land app. if biosolids have PFOS + PFOA levels > 50 ppb

~Additional management requirements for land app. if biosolids have PFOS + PFOA levels between 25 and 50 ppb

~No restrictions for biosolids with PFOS + PFOA levels < 25 ppb

~NB: Discussions are still underway, no legislative text shared yet, so concepts are subject to change

Expected PFAS Bills (cont.)



💧 **Discussions**

- ~Have taken different path than in 2025
- ~Senator Love has been meeting regularly with MDE and stakeholders

💧 **MAMWA and MACO Jointly Submitted “Asks”**

- ~EX: Allow POTWs to use a running annual average
- ~Do not impose additional management measures using a single sample
- ~Consistent with drinking water SDWA NPDWR MCL compliance

💧 **Ongoing Discussions**

- ~How localities will pay to address new requirements (funding)
- ~Including additional local authority over industrial users in bill

VA Legislative Session: Long 60-Day Session

💧 2026 Session Dates

- ~Jan. 14: General Assembly Convenes
- ~Jan. 16: Budget Amendment Request Deadline
- ~Jan. 23: Last Day to Introduce Legislation
- ~Feb. 18: Crossover
- ~Feb. 22: Money Committees Act on Budget Bills
- ~Mar. 14: Adjournment Sine Die
- ~Apr. 13: Governor's Action Deadline
- ~Apr. 22: Veto Session



Recent Virginia Elections



💧 **Nov. 2025 Election**

- ~Big win for Ds
- ~New Governor Spanberger
 - ~Won by a 14.48% margin
- ~Ds win 13 seats in House of Delegates
 - ~Now 64-36, highest number of Ds since early 1980s
 - ~As compared to 51-49 in 2025

💧 **New Governor's Focus**

- ~Likely on affordability (EX: housing, energy)

Clean Water Priorities



💧 **Stormwater Funding**

- ~Governor vetoed \$40 M in SLAF bonds in 2025 Session
- ~Also vetoed \$50 M (General Funds) for VA Community Flooding Protection Fund
- ~Governor-Elect has signaled re-joining RGGI

💧 **Wastewater Funding**

- ~2025 WQIF Needs Survey draft results show \$1.17 B in total need from 2026-2030
- ~See slides below for details

SLAF 2025 Needs Survey



- 💧 **Current Unobligated Balance is Approx. \$22.6 M**

- ~DEQ expects to fully obligate these funds this FY
- ~Based on anticipated number of applications received during the SLAF solicitation period that closed Oct. 1

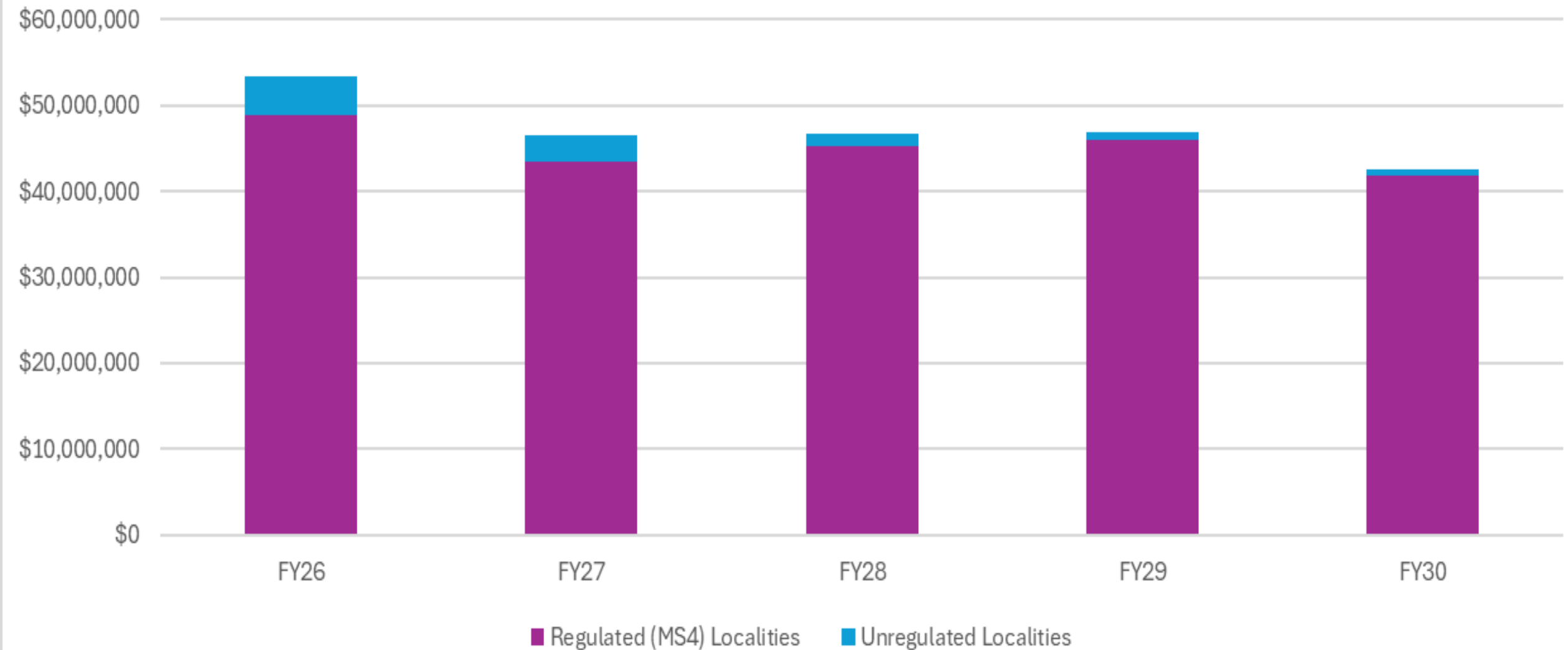
- 💧 **For FY 2026 to 2030**

- ~Approx. \$236 M could be requested from SLAF
- ~See slides below

2025 SLAF Needs Survey Results

FY 2026 - FY 2030

Total Estimate = \$ 235,974,832



Applicant Type	FY2026	FY2027-2028 Biennium		FY2029-2030 Biennium		Total Need
	FY26	FY27	FY28	FY29	FY30	
Regulated (MS4) Localities	\$48,935,335	\$43,494,528	\$45,218,000	\$45,979,118	\$41,904,188	\$225,531,169
Unregulated Localities	\$4,445,769	\$3,097,734	\$1,436,254	\$879,939	\$573,967	\$10,443,663
FY Totals	\$53,391,104	\$46,592,262	\$46,654,254	\$46,858,057	\$42,478,155	\$235,974,832
TOTALS	\$53,391,104	\$93,246,516		\$89,337,212		\$235,974,832

WQIF Needs (Draft)

In the FY 2026 to FY 2030 timeframe, the eligible project cost for those anticipating WQIF funding requests totaled \$1.64 billion and, based on the estimated eligible grant percentage for each respondent, the estimated amount of programmatic WQIF point source funding needed through FY 2030 is \$1.17 billion.

2025 WQIF Needs Survey Results – WQIF Point Source Funding Need for 2026 to 2030

WQIF Grants	2026	2027-2028 Biennium		2029-2030 Biennium		Total Need (2026 – 2030)
	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	
Applicant Identified Need (\$)	\$419,727,590	\$401,889,942	\$129,330,219	\$105,165,103	\$113,445,308	\$1,169,558,162
TOTALS	\$419,727,590	\$531,220,161		\$218,610,411		\$1,169,558,162

NOTE: This table appears to omit approximately \$122 M for 12 existing WQIF Grant Agreements, for a total 5-year need of \$1.29 B.

WQIF Needs (Draft)

Current WQIF Account Balance and Estimated WQIF Shortfall (FY 2026 – FY 2030)

Current Unobligated WQIF Balance	\$622 million
WQIF Application Future Obligations (based on estimated grant application amounts not represented in needs assessment)	(\$794 million)
WQIF Needs Assessment Eligible Projects Not Included Above (based on estimated grant amounts in the needs survey)	(\$497 million)
Projected WQIF Shortfall	(\$669 million)

NOTE: This table appears to omit approximately \$122 M for 12 existing WQIF Grant Agreements, for a total 5-year need of \$1.29 B.

Other Potential Topics for 2026 GA

💧 Likely

- ~Construction: Mandatory Apprentice Labor Participate Rate
 - ~Would require at least 8% of total labor hours for any capital outlay project be performed by apprentices (with some limited opportunities for waiver)
 - ~Last year's bill was vetoed, but will likely be reintroduced in 2026
- ~Right of Entry for Water Service Line Inspections
 - ~To allow water utility to determine lead-status for EPA-required inventories

💧 Also, Likely

- ~Biosolids and PFAS (see slide belows for legislative concepts; notes from Nov. 19 State Water Comm. Mtg.)
- ~VA and MD GAs will be watching each other
- ~Need for VA and MD POTWs to keep each other apprised

Two Biosolids and PFAS Bills

💧 Draft Bill #1

- ~All permit holders required to sample biosolids once per year before initial land application for PFAS
- ~Submit results to DEQ at least 2 weeks before land application
- ~If PFOS or PFOA are ≥ 100 mg/kg, no application of materials
- ~If \geq or 20 mg/kg but < 100 mg/kg, land apply at 1.5 dry tons per acre or submit to DEQ an alternative risk management strategy at least 2 weeks before land application
- ~If < 20 mg/kg, no additional requirements
- ~In all cases, send test results to the landowner at every property that will be used for land application

💧 Draft Bill #2

- ~For new and renewed VPA permits to market and distribute biosolids
- ~Conduct quarterly monitoring for PFAS
- ~DEQ to submit a report with analysis of levels of PFAS in biosolids by July 1, 2028

Other Legislative Concepts



💧 **Bill from Senator Stuart**

- ~Would require biosolids testing and sampling
- ~Would prohibit DEQ from issuing permit for land application if there are **any** PFAS present
- ~Bill request submitted early, not sure he supports concept after all
- ~Worried MD is sending materials to VA; need a threshold level lower than MD

💧 **Idea from VA Watermen**

- ~Allow local governments the authority to require PFAS testing
- ~Reinforced by public comment (see below)

Public Comments




💧 **From Potomac Riverkeepers Network**

- ~Key issue is farmer's right to know if biosolids have PFAS
- ~Notification should be required; also soil sampling of farms and for waterbodies in a land application buffer

💧 **Don't Spread on Me**

- ~Represented by an Albemarle County resident
- ~Allow local governments the authority to regulate in PFAS space (including testing)
- ~Require notices to farmers



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