
By: **Delegates Walkup, Barkley, Boutin, Cadden, Cryor, D'Amato, Glassman, Guns, Hutchins, Kittleman, Klima, Kopp, Leopold, Riley, Rosso, Rzepkowski, Sophocleus, Stocksdale, Amedori, W. Baker, Bartlett, Barve, Bobo, Bohanan, Boschert, Brinkley, Cane, Clagett, DeCarlo, Dembrow, Donoghue, Doory, Eckardt, Elliott, Flanagan, Getty, Goldwater, Hubbard, James, Kach, J. Kelly, La Vay, Mandel, Mitchell, Moe, Murphy, O'Donnell, Parrott, Pendergrass, Pitkin, Ports, Schisler, Stern, Stull, and Wood**

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Committee Report: Favorable with amendments
House action: Adopted
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CHAPTER _____

1 AN ACT concerning

2 **Dredge Material - Alternative Uses - Fund**

3 FOR the purpose of establishing a Dredge Disposal Alternatives Fund as a special,
4 continuing, nonlapsing fund; providing for the purposes and goals of the Fund;
5 authorizing the Department of Business and Economic Development to provide
6 certain financial assistance from the Fund for certain purposes; ~~directing the~~
7 ~~Governor to appropriate a certain amount of funds for certain fiscal years for a~~
8 ~~certain purpose; providing that it is the intent of the General Assembly that the~~
9 ~~Governor appropriate certain amount of funds for a certain fiscal year for a~~
10 ~~certain purpose;~~ providing that the Maryland Port Administration is responsible
11 for transporting and unloading dredge material for certain purposes; requiring
12 the State Treasurer to hold the Fund and the State Comptroller to account for
13 the Fund; defining certain terms; requiring recipients of financial assistance
14 from the Fund to submit certain reports on a certain basis to the Department of
15 Business and Economic Development; authorizing the Department to impose
16 terms and conditions on financial assistance provided from the Fund; requiring
17 the Secretary of Business and Economic Development to submit certain reports;
18 providing for the termination of this Act; and generally relating to the creation
19 of a Fund and pilot project for the development of dredge material reuse
20 projects.

1 BY adding to
2 Article 83A - Department of Business and Economic Development
3 Section 6-901 through 6-905, inclusive, to be under the new subtitle "Subtitle 9.
4 Dredge Disposal Alternatives Fund"
5 Annotated Code of Maryland
6 (1998 Replacement Volume and 1999 Supplement)

7 Preamble

8 WHEREAS, The shipping channels for the Port of Baltimore, including the
9 main channels and anchorages in and adjacent to the Chesapeake Bay and its
10 approaches, must undergo dredging in order to maintain channel depth necessary for
11 the economic viability of the Port; and

12 WHEREAS, Dredge material has economic value and should be viewed as a
13 sustainable, replenishable resource; and

14 WHEREAS, There is a pressing need to work within a climate of limited
15 financial resources to fulfill the stewardship responsibilities for Maryland's water
16 resources infrastructure; and

17 WHEREAS, Innovative solutions can facilitate the successful management of
18 the Chesapeake Bay and the Port of Baltimore; and

19 WHEREAS, Conversion of dredge material to beneficial reuse projects that
20 have economic value will result in a self-sustaining program for the reuse of dredge
21 material; now, therefore,

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
23 MARYLAND, That the Laws of Maryland read as follows:

24 **Article 83A - Department of Business and Economic Development**

25 **SUBTITLE 9. DREDGE DISPOSAL ALTERNATIVES FUND.**

26 6-901.

27 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
28 INDICATED.

29 (B) (1) "DREDGE MATERIAL" MEANS EARTH, ROCK, SOIL, WASTE MATTER,
30 MUCK, OR OTHER MATERIAL DREDGED FROM NAVIGATIONAL CHANNELS IN THE
31 CHESAPEAKE BAY.

32 (2) "DREDGE MATERIAL" DOES NOT INCLUDE MATERIAL EXCAVATED
33 FROM BALTIMORE HARBOR.

34 (C) "DREDGE MATERIAL REUSE PROJECT" MEANS THE IMPLEMENTATION AND
35 MARKET DEVELOPMENT OF TECHNOLOGY THAT IS INTENDED TO DEWATER,

1 ANALYZE FOR CONTAMINANTS, DRY, AND PROCESS DREDGE MATERIAL FROM
2 NAVIGATIONAL CHANNELS IN THE CHESAPEAKE BAY FOR REUSE IN AN
3 ECONOMICALLY BENEFICIAL MANNER.

4 (D) "FUND" MEANS THE DREDGE DISPOSAL ALTERNATIVES FUND.

5 (E) "PROGRAM" MEANS THE ORGANIZATIONAL UNIT IN THE DEPARTMENT
6 THAT ADMINISTERS THE DREDGE DISPOSAL ALTERNATIVES FUND.

7 (F) "REUSE" MEANS THE RECYCLING OF DREDGE MATERIAL FOR ITS USE IN
8 ANOTHER PRODUCT, INCLUDING, BUT NOT LIMITED TO, COMMERCIAL AND
9 INDUSTRIAL USES.

10 6-902.

11 (A) THE PURPOSE OF THE DREDGE DISPOSAL ALTERNATIVES FUND IS TO
12 ESTABLISH A PILOT PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO INDIVIDUALS
13 AND BUSINESS ENTERPRISES FOR THE DEMONSTRATION OF TECHNOLOGIES AND
14 DEVELOPMENT OF MARKETS FOR TECHNOLOGIES THAT ARE INTENDED TO
15 DEWATER, ANALYZE FOR CONTAMINANTS, DRY, AND PROCESS DREDGE MATERIAL
16 FOR REUSE IN AN ECONOMICALLY BENEFICIAL MANNER.

17 (B) THE GOALS OF THE PILOT PROJECT AND FUND ARE TO:

18 (1) ENCOURAGE THE IMPLEMENTATION OF TECHNOLOGIES THAT HELP
19 PROTECT THE PUBLIC HEALTH AND THE ENVIRONMENT BY USING DREDGE
20 MATERIAL AS A RESOURCE;

21 (2) ENCOURAGE THE DEVELOPMENT OF END-USE MARKETS FOR
22 TECHNOLOGIES THAT HELP PROTECT THE PUBLIC HEALTH AND THE ENVIRONMENT
23 BY USING DREDGE MATERIAL AS A RESOURCE; AND

24 (3) FACILITATE THE REUSE OF AT LEAST 500,000 CUBIC YARDS OF
25 DREDGE MATERIAL EACH YEAR THROUGH PROCESSING AND REUSE.

26 6-903.

27 (A) THERE IS A DREDGE DISPOSAL ALTERNATIVES FUND IN THE
28 DEPARTMENT.

29 (B) THE FUND IS A SPECIAL CONTINUING, NONLAPSING FUND NOT SUBJECT
30 TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

31 (C) THE FUND MAY CONSIST OF:

32 (1) MONEYS APPROPRIATED BY THE STATE;

33 (2) MONEYS MADE AVAILABLE THROUGH FEDERAL PROGRAMS OR
34 PRIVATE CONTRIBUTIONS;

1 (3) INCOME FROM INVESTMENTS THAT THE STATE TREASURER MAKES
2 FROM MONEYS IN THE FUND;

3 (4) REPAYMENTS OF PRINCIPAL AND INTEREST FROM LOANS MADE
4 FROM THE FUND;

5 (5) INCOME FROM EQUITY INVESTMENTS THAT THE DEPARTMENT
6 MAKES FROM THE FUND;

7 (6) PROCEEDS FROM THE SALE, DISPOSITION, LEASE, OR RENTAL BY
8 THE DEPARTMENT OF COLLATERAL RELATED TO ANY FINANCING PROVIDED BY THE
9 DEPARTMENT UNDER THIS SUBTITLE;

10 (7) APPLICATION OR OTHER REASONABLE FEES PAID TO THE PROGRAM
11 IN CONNECTION WITH THE PROCESSING OF REQUESTS FOR ASSISTANCE; AND

12 (8) ANY OTHER MONEYS MADE AVAILABLE TO THE FUND.

13 (D) (1) THE STATE TREASURER SHALL HOLD THE FUND AND THE STATE
14 COMPTROLLER SHALL ACCOUNT FOR THE FUND.

15 (2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO
16 THE FUND.

17 (E) THE PROGRAM MAY USE MONEYS IN THE FUND TO:

18 (1) PROVIDE FINANCIAL ASSISTANCE FOR IMPLEMENTING DREDGE
19 MATERIAL REUSE PROJECTS FOR INDUSTRIAL AND COMMERCIAL PURPOSES;

20 (2) PROVIDE FINANCIAL ASSISTANCE FOR THE DEVELOPMENT OF
21 END-USE MARKETS FOR DREDGE MATERIAL;

22 (3) PROVIDE FINANCIAL ASSISTANCE TO DEFRAY THE COSTS OF
23 DREDGE MATERIAL REUSE PROJECTS; AND

24 (4) PAY EXPENSES FOR ADMINISTRATIVE, ACTUARIAL, LEGAL, AND
25 TECHNICAL SERVICES ASSOCIATED WITH OPERATING THE FUND.

26 ~~(F) THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL FOR
27 FISCAL YEAR 2001 A PROPOSED GENERAL FUND APPROPRIATION TO THE FUND IN AN
28 AMOUNT NOT LESS THAN \$1,000,000.~~

29 (F) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE GOVERNOR
30 APPROPRIATE NOT LESS THAN \$1,000,000 TO THE FUND FOR FISCAL YEAR 2002.

31 6-904.

32 FINANCIAL ASSISTANCE PROVIDED FROM THE FUND MAY BE:

33 (1) USED ONLY TO PAY THE COSTS OF CARRYING OUT A DREDGE
34 MATERIAL REUSE PROJECT; AND

1 (2) IN THE FORM OF A GRANT.

2 6-905.

3 THE MARYLAND PORT ADMINISTRATION OF THE DEPARTMENT OF
4 TRANSPORTATION SHALL BE RESPONSIBLE FOR TRANSPORTING AND UNLOADING
5 DREDGED MATERIAL AND THE COSTS ASSOCIATED WITH TRANSPORTING AND
6 UNLOADING DREDGE MATERIAL FOR PROCESSING AT THE SITE OF THE DREDGE
7 MATERIAL REUSE PROJECT.

8 SECTION 2. AND BE IT FURTHER ENACTED, That an individual or
9 business enterprise that receives financial assistance from the Dredge Disposal
10 Alternatives Fund established by this Act for carrying out a dredge material reuse
11 project shall submit every 6 months to the Department of Business and Economic
12 Development a status report that clearly documents how the funds are being used by
13 the individual or business enterprise and the extent to which dredge material has
14 been processed and reused.

15 SECTION 3. AND BE IT FURTHER ENACTED, That the Department of
16 Business and Economic Development may impose terms and conditions on financial
17 assistance provided from the Dredge Disposal Alternatives Fund established under
18 this Act.

19 SECTION 4. AND BE IT FURTHER ENACTED, That the Secretary of Business
20 and Economic Development shall submit a report to the General Assembly, in
21 accordance with § 2-1246 of the State Government Article, by December 1, ~~2001~~ 2002,
22 and by July 1, ~~2002~~ 2003, on the Dredge Disposal Alternatives Fund established
23 under this Act. The reports shall include information on the participation levels in the
24 pilot project and Fund, the amount of dredge material processed and reused through
25 the pilot project, and the amount of funds distributed. The reports shall also evaluate
26 the potential impact that termination of the Fund and pilot project will have on the
27 disposal of dredge materials in the State. The report submitted on July 1, ~~2002~~ 2003
28 shall also include information on the economic impact on individuals and business
29 entities that participated in dredge material reuse projects under this Act.

30 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 July 1, 2000. It shall remain effective for a period of ~~2~~ 3 years and, at the end of June
32 30, ~~2002~~ 2003, with no further action required by the General Assembly, this Act shall
33 be abrogated and of no further force and effect. Any money remaining in the Dredge
34 Disposal Alternatives Fund on June 30, ~~2002~~ 2003, or due to the Dredge Disposal
35 Alternatives Fund after June 30, ~~2002~~ 2003, shall be paid into the General Fund.

