

SENATE BILL 970

M3

71r0077

By: **Chair, Education, Health, and Environmental Affairs Committee (By Request – Departmental – Environment)**

Introduced and read first time: March 1, 2007

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Environment – Water Appropriation Permits – Penalties**

3 FOR the purpose of altering permit requirements relating to the appropriation and
4 use of State groundwater; exempting from permit requirements certain users
5 that appropriate or use groundwater below a certain quantity; authorizing the
6 Department of the Environment to seek civil penalties for certain violations
7 relating to the misappropriation or misuse of State groundwater or otherwise
8 failing to comply with a water appropriation and use permit; providing for the
9 issuance of orders or notices of violations and providing for certain hearings
10 relating to orders; increasing certain criminal penalties and eliminating a
11 certain cap on criminal penalties; requiring certain funds to be paid into the
12 Maryland Clean Water Fund; altering the uses of the Maryland Clean Water
13 Fund; defining certain terms; and generally relating to water appropriation
14 permits.

15 BY repealing and reenacting, with amendments,
16 Article – Environment
17 Section 5–101, 5–502, 5–514, and 9–320
18 Annotated Code of Maryland
19 (1996 Replacement Volume and 2006 Supplement)

20 BY adding to
21 Article – Environment
22 Section 5–515 and 5–516
23 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (1996 Replacement Volume and 2006 Supplement)

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

4 **Article – Environment**

5 5–101.

6 (a) In this title the following words have the meanings indicated.

7 (b) “Administration” means Water Management Administration.

8 (c) “Appropriate county governing body” means the county commissioners of
9 any nonchartered county or the county council of any chartered county in which a
10 portion of the watershed is located.

11 (d) “County” includes Baltimore City unless otherwise indicated.

12 (e) “Department” means Department of the Environment.

13 (f) “Director” means Director of the Water Management Administration.

14 (g) “Person” includes the federal government, the State, any county,
15 municipal corporation, or other political subdivision of the State, or any of their units,
16 or an individual, receiver, trustee, guardian, executor, administrator, fiduciary, or
17 representative of any kind, or any partnership, firm, association, public or private
18 corporation, or any other entity.

19 (h) (1) “Pollution” means every contamination or other alteration of the
20 physical, chemical, or biological properties, of any waters of the State.

21 (2) “Pollution” includes change in temperature, taste, color, turbidity,
22 or odor of the waters of the State or the discharge or deposit of any organic matter,
23 harmful organism, or liquid, gaseous, solid, radioactive, or other substance into any
24 waters of the State as will render the waters of the State harmful, detrimental, or
25 injurious to public health, safety, or welfare, domestic, commercial, industrial,
26 agricultural, recreational, other legitimate beneficial uses, or livestock, wild animals,
27 birds or fish or other aquatic life.

28 (I) **“PUBLIC WATER SYSTEM” HAS THE MEANING STATED IN § 9–401 OF**
29 **THIS ARTICLE.**

1 [(i)] (J) “Secretary” means Secretary of the Department of the
2 Environment.

3 (K) **“WATER MANAGEMENT STRATEGY AREA” MEANS AN AREA**
4 **DESIGNATED BY THE DEPARTMENT IN WHICH A SPECIFIC WATER RESOURCE**
5 **PROBLEM HAS BEEN IDENTIFIED AND FOR WHICH THE DEPARTMENT HAS**
6 **ADOPTED SPECIFIC WATER USE RESTRICTIONS OR CRITERIA FOR PERMIT**
7 **APPROVAL IN ORDER TO PROTECT THE WATER RESOURCE OR EXISTING WATER**
8 **USERS.**

9 [(j)] (L) “Waters of the State” includes:

10 (1) Both surface and underground waters within the boundaries of the
11 State subject to its jurisdiction;

12 (2) That portion of the Atlantic Ocean within the boundaries of the
13 State;

14 (3) The Chesapeake Bay and its tributaries;

15 (4) All ponds, lakes, rivers, streams, public ditches, tax ditches, and
16 public drainage systems within the State, other than those designed and used to
17 collect, convey, or dispose of sanitary sewage; and

18 (5) The floodplain of free-flowing waters determined by the
19 Department on the basis of the 100-year flood frequency.

20 5-502.

21 (a) Every person is required to obtain a permit from the Department to
22 appropriate or use or begin to construct any plant, building, or structure which may
23 appropriate or use any waters of the State, whether surface water or groundwater.
24 The permit is obtained upon written application to the Department. The applicant
25 shall provide the Department with satisfactory proof that the proposed withdrawal of
26 water will not jeopardize the State’s natural resources.

27 (b) This section does not apply to [use of water for]:

28 (1) [Domestic] **USE OF WATER FOR DOMESTIC** purposes other than
29 for heating and cooling; [or]

1 (2) [Agricultural] **USE OF WATER FOR AGRICULTURAL** purposes, if
2 the average annual water use is less than 10,000 gallons per day, except as provided
3 in subsection (c)(2) of this section; **OR**

4 (3) **USE OF GROUNDWATER AT AN AVERAGE ANNUAL WATER USE**
5 **OF 5,000 GALLONS OF WATER PER DAY OR LESS, PROVIDED THAT:**

6 (I) 1. **THE USE IS NOT FOR A PUBLIC WATER SYSTEM**
7 **THAT:**

8 A. **SERVES AT LEAST 15 SERVICE CONNECTIONS**
9 **USED BY YEAR-ROUND RESIDENTS OF THE AREA SERVED BY THE SYSTEM; OR**

10 B. **REGULARLY SERVES AT LEAST 25 YEAR-ROUND**
11 **RESIDENTS; OR**

12 2. **THE USE WILL NOT OCCUR WITHIN A WATER**
13 **MANAGEMENT STRATEGY AREA ESTABLISHED BY THE DEPARTMENT; AND**

14 (II) **THE USER FILES A NOTICE OF EXEMPTION WITH THE**
15 **DEPARTMENT AT LEAST 30 DAYS BEFORE THE USE IS PROPOSED TO BEGIN.**

16 (c) (1) The Department shall issue a permit to a person using water prior
17 to July 1, 1988 for agricultural purposes upon written application to the Department.

18 (2) A person using less than an annual average of 10,000 gallons of
19 water per day for agricultural purposes may apply for a permit to appropriate or use
20 waters of the State.

21 (d) When the Department determines that a water supply emergency exists
22 and available water supplies are inadequate in an area to meet the needs of all
23 persons who have permits under this subtitle, the following uses shall have priority for
24 appropriation or use of water in the order listed:

25 (1) Domestic and municipal uses for sanitation, drinking water, and
26 public health and safety;

27 (2) Agricultural uses, including the processing of agricultural
28 products; and

29 (3) All other uses.

1 (e) Notwithstanding any other provision of this subtitle, an application for a
2 certificate of public convenience and necessity associated with power plant
3 construction which involves use or diversion of waters of the State made to the Public
4 Service Commission under the Public Utility Companies Article constitutes an
5 application for the permit required by this section, and the provisions of § 3–306 of the
6 Natural Resources Article apply. If an application is made to the Public Service
7 Commission, the hearing provided for by this subtitle is not required. All evidence
8 relevant to the purposes of this subtitle shall be presented at the hearing held by the
9 Public Service Commission, as required by § 7–207 of the Public Utility Companies
10 Article. The permit required by this subtitle is included in the certificate of public
11 convenience and necessity issued by the Public Service Commission.

12 5–514.

13 (A) (1) **IN ADDITION TO BEING SUBJECT TO AN INJUNCTIVE ACTION**
14 **UNDER THIS SUBTITLE, A PERSON WHO VIOLATES ANY PROVISION OF THIS**
15 **SUBTITLE RELATING TO WATER APPROPRIATION AND USE OR ANY RULE,**
16 **REGULATION, ORDER, OR PERMIT ADOPTED OR ISSUED UNDER ANY SUCH**
17 **PROVISION IS LIABLE FOR A CIVIL PENALTY NOT EXCEEDING \$10,000 PER**
18 **VIOLATION TO BE COLLECTED IN A CIVIL ACTION BROUGHT BY THE**
19 **DEPARTMENT.**

20 (2) **EACH DAY A VIOLATION OCCURS OR CONTINUES IS A**
21 **SEPARATE VIOLATION UNDER THIS SUBSECTION.**

22 (B) A person who violates or causes an act which violates a provision of this
23 subtitle or a regulation adopted under this subtitle or who violates or fails to comply
24 with a permit or an order of the Department when due notice is given is guilty of a
25 misdemeanor. Upon conviction the violator is subject to a fine not exceeding [\$500]
26 **\$10,000** per day for each day of the offense, [and not to exceed a total fine of \$25,000,]
27 with costs imposed in the discretion of the court.

28 (C) **ALL FUNDS COLLECTED BY THE DEPARTMENT UNDER THIS**
29 **SECTION, INCLUDING ANY CIVIL PENALTY OR ANY FINE IMPOSED BY A COURT**
30 **UNDER THE PROVISIONS OF THIS SECTION, SHALL BE PAID INTO THE**
31 **MARYLAND CLEAN WATER FUND.**

32 5–515.

1 (A) AFTER OR CONCURRENTLY WITH THE SERVICE OF A COMPLAINT
2 UNDER THIS SUBTITLE RELATING TO WATER APPROPRIATION AND USE, THE
3 DEPARTMENT MAY:

4 (1) ISSUE AN ORDER THAT REQUIRES THE PERSON TO WHOM THE
5 ORDER IS DIRECTED TO TAKE CORRECTIVE ACTION WITHIN A TIME SET IN THE
6 ORDER;

7 (2) SEND A WRITTEN NOTICE THAT REQUIRES THE PERSON TO
8 WHOM THE NOTICE IS DIRECTED TO FILE A WRITTEN REPORT ABOUT THE
9 ALLEGED VIOLATION; OR

10 (3) SEND A WRITTEN NOTICE THAT REQUIRES THE PERSON TO
11 WHOM THE NOTICE IS DIRECTED:

12 (I) TO APPEAR AT A HEARING BEFORE THE DEPARTMENT
13 AT A TIME AND PLACE THE DEPARTMENT SETS TO ANSWER THE CHARGES IN
14 THE COMPLAINT; OR

15 (II) TO FILE A WRITTEN REPORT AND ALSO TO APPEAR AT A
16 HEARING BEFORE THE DEPARTMENT AT A TIME AND PLACE THE DEPARTMENT
17 SETS TO ANSWER THE CHARGES IN THE COMPLAINT.

18 (B) ANY ORDER ISSUED UNDER THIS SECTION IS EFFECTIVE
19 IMMEDIATELY, ACCORDING TO ITS TERMS, WHEN IT IS SERVED.

20 **5-516.**

21 (A) THE DEPARTMENT SHALL GIVE NOTICE AND HOLD ANY HEARING
22 RELATED TO ORDERS IMPOSED UNDER THE WATER APPROPRIATION AND USE
23 PROVISIONS OF THIS SUBTITLE IN ACCORDANCE WITH THE ADMINISTRATIVE
24 PROCEDURE ACT.

25 (B) (1) WITHIN 10 DAYS AFTER BEING SERVED WITH AN ORDER
26 UNDER § 5-515(A)(1) OF THIS SUBTITLE, THE PERSON SERVED MAY REQUEST IN
27 WRITING A HEARING BEFORE THE DEPARTMENT.

1 **(2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,**
2 **IF A REQUEST FOR A HEARING ON AN ORDER IS MADE UNDER THIS SUBSECTION,**
3 **THE DEPARTMENT SHALL:**

4 **1. HOLD THE HEARING PROMPTLY AFTER**
5 **RECEIVING THE REQUEST; AND**

6 **2. RENDER A DECISION PROMPTLY AFTER THE**
7 **HEARING.**

8 **(II) IF A REQUEST FOR A HEARING ON AN ORDER IS MADE**
9 **UNDER THIS SUBSECTION AND THE DEPARTMENT ALLEGES IN THE ORDER THAT**
10 **THERE IS AN IMMINENT THREAT OR DANGER TO THE PUBLIC HEALTH OR**
11 **SAFETY OR TO THE ENVIRONMENT, THE DEPARTMENT SHALL:**

12 **1. HOLD THE HEARING WITHIN 10 DAYS AFTER**
13 **RECEIVING THE REQUEST; AND**

14 **2. RENDER A DECISION WITHIN 10 DAYS AFTER THE**
15 **HEARING.**

16 **(C) WITHIN 10 DAYS AFTER BEING SERVED WITH A NOTICE UNDER §**
17 **5-515(A)(2) OF THIS SUBTITLE, THE PERSON SERVED MAY REQUEST IN WRITING**
18 **A HEARING BEFORE THE DEPARTMENT.**

19 **(D) THE DEPARTMENT MAY MAKE A VERBATIM RECORD OF THE**
20 **PROCEEDINGS OF ANY HEARING HELD UNDER THIS SUBTITLE.**

21 **(E) (1) IN CONNECTION WITH ANY HEARING UNDER THIS SUBTITLE,**
22 **THE DEPARTMENT MAY:**

23 **(I) SUBPOENA ANY PERSON OR EVIDENCE; AND**

24 **(II) ORDER A WITNESS TO GIVE EVIDENCE.**

25 **(2) A SUBPOENAED WITNESS SHALL RECEIVE THE SAME FEES**
26 **AND MILEAGE REIMBURSEMENT AS IF THE HEARING WERE PART OF A CIVIL**
27 **ACTION.**

1 **(3) IF A PERSON FAILS TO COMPLY WITH A SUBPOENA OR ORDER**
2 **ISSUED UNDER THIS SUBSECTION, ON PETITION OF THE DEPARTMENT, A**
3 **CIRCUIT COURT, BY ORDER, MAY:**

4 **(I) COMPEL OBEDIENCE TO THE DEPARTMENT'S ORDER OR**
5 **SUBPOENA; OR**

6 **(II) COMPEL TESTIMONY OR THE PRODUCTION OF**
7 **EVIDENCE.**

8 **(4) THE COURT MAY PUNISH AS CONTEMPT ANY FAILURE TO**
9 **OBEY ITS ORDER ISSUED UNDER THIS SECTION.**

10 9-320.

11 (a) There is a Maryland Clean Water Fund.

12 (b) **THE FOLLOWING PAYMENTS SHALL BE MADE INTO THE MARYLAND**
13 **CLEAN WATER FUND:**

14 **(1) All application fees, permit fees, renewal fees, and funds collected**
15 **by the Department under this subtitle, including any civil or administrative penalty or**
16 **any fine imposed by a court under the provisions of this subtitle[, shall be paid into**
17 **the Maryland Clean Water Fund]; AND**

18 **(2) ANY CIVIL PENALTY OR ANY FINE IMPOSED BY A COURT**
19 **UNDER THE PROVISIONS OF TITLE 5, SUBTITLE 5 OF THIS ARTICLE RELATING**
20 **TO WATER APPROPRIATION AND USE.**

21 [(c) The Department shall use the Maryland Clean Water Fund for activities
22 that are related to identifying, monitoring, and regulating the proper discharge of
23 effluent into the waters of the State including program development of these activities
24 as provided in the State budget. Priority shall be given to activities pertaining to the
25 water quality of the Chesapeake Bay and its tributaries.]

26 **(C) THE DEPARTMENT SHALL USE THE MARYLAND CLEAN WATER**
27 **FUND FOR ACTIVITIES THAT ARE RELATED TO:**

28 **(1) THE IDENTIFICATION, MONITORING, AND REGULATION OF**
29 **THE PROPER DISCHARGE OF EFFLUENT INTO THE WATERS OF THE STATE**

1 **INCLUDING PROGRAM DEVELOPMENT OF THESE ACTIVITIES AS PROVIDED BY**
2 **THE STATE BUDGET; AND**

3 **(2) THE MANAGEMENT, CONSERVATION, PROTECTION, AND**
4 **PRESERVATION OF THE STATE'S GROUNDWATER AND SURFACE WATER**
5 **INCLUDING PROGRAM DEVELOPMENT OF THESE ACTIVITIES AS PROVIDED BY**
6 **THE STATE BUDGET.**

7 **(D) IN DETERMINING THE USE OF THE MARYLAND CLEAN WATER**
8 **FUND, PRIORITY SHALL BE GIVEN TO ACTIVITIES RELATING TO THE WATER**
9 **QUALITY OF THE CHESAPEAKE BAY AND ITS TRIBUTARIES.**

10 **[(d)] (E)** Notwithstanding any law to the contrary, unexpended moneys in
11 the Fund shall not revert to the general treasury at the end of a fiscal year.

12 **SECTION 2. AND BE IT FURTHER ENACTED,** That this Act shall take effect
13 **October 1, 2007.**