

# HOUSE BILL 1307

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By: **Delegates Jacobs and Arentz**

Introduced and read first time: February 12, 2016

Assigned to: Environment and Transportation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Environment – Municipal Water Supply Contamination – Remediation Costs**

3 FOR the purpose of authorizing the Department of the Environment to use the Maryland  
4 Oil Disaster Containment, Clean-Up and Contingency Fund to pay any costs  
5 incurred by a municipality associated with the contamination of the municipal water  
6 supply caused by the action of an entity that receives funding from the State;  
7 requiring the Department to use money credited to the Fund to pay the costs of  
8 certain cleanup, corrective action, and treatment of contamination of the public  
9 water supply of the Town of Chestertown resulting from actions taken by the  
10 University of Maryland Medical Center at Chestertown on detection of a certain level  
11 of a certain contaminant in a certain well; and generally relating to the use of the  
12 Maryland Oil Disaster Containment, Clean-Up and Contingency Fund.

13 BY repealing and reenacting, with amendments,  
14 Article – Environment  
15 Section 4-411(f) and (g)  
16 Annotated Code of Maryland  
17 (2013 Replacement Volume and 2015 Supplement)

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

20 **Article – Environment**

21 4-411.

22 (f) (1) There is a Maryland Oil Disaster Containment, Clean-Up and  
23 Contingency Fund for the Department to use to develop equipment, personnel, and plans;  
24 for contingency actions to respond to, contain, clean-up, and remove from the land and  
25 waters of the State discharges of oil, petroleum products, and their by-products into, upon,  
26 or adjacent to the waters of the State; and restore natural resources damaged by discharges.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 The Fund may also be used by the Department for oil-related activities in water pollution  
2 control programs. The cost of containment, clean-up, removal, and restoration, including  
3 attorneys' fees and litigation costs, shall be reimbursed to the State by the person  
4 responsible for the discharge. The reimbursement shall be credited to the Fund. The Fund  
5 shall be limited in accordance with the limits set forth in this section. To this sum shall be  
6 credited every license fee, fine, if imposed by the circuit court for any county, and any other  
7 charge related to this subtitle. To this Fund shall be charged every expense the Department  
8 of the Environment has which relates to this section.

9 (2) Notwithstanding any other provision of this section, in fiscal years 2015  
10 and 2016 only, the Fund may be used to pay costs associated with the purposes of the Oil  
11 Contaminated Site Environmental Cleanup Fund specified in § 4-704 of this title.

12 **(3) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,**  
13 **THE FUND MAY BE USED TO PAY ANY COSTS INCURRED BY A MUNICIPALITY**  
14 **ASSOCIATED WITH THE CONTAMINATION OF THE MUNICIPAL WATER SUPPLY**  
15 **CAUSED BY THE ACTION OF AN ENTITY THAT RECEIVES FUNDING FROM THE STATE,**  
16 **INCLUDING THE ESTABLISHMENT OF AN ALTERNATIVE WATER SUPPLY.**

17 (g) Money in the Fund not needed currently to meet the Department of the  
18 Environment's obligations in the exercise of its responsibility under this section shall be  
19 deposited with the State Treasurer to the credit of the Fund, and may be invested as  
20 provided by law. Interest received on the investment shall be credited to the Fund. The  
21 Secretary of the Environment shall determine the proper allocation of the moneys credited  
22 to the Fund only for the following purposes:

23 (1) Administrative expenses, personnel expenses, and equipment costs of  
24 the Department related to the purposes of this section;

25 (2) Prevention, control, containment, clean-up, and removal of discharges  
26 into, upon, or adjacent to waters of the State of discharges of oil, petroleum products and  
27 their by-products, and the restoration of natural resources damaged by such discharges;

28 (3) Development of containment and clean-up equipment, plans, and  
29 procedures in accordance with the purposes of this section;

30 (4) Paying insurance costs by the State to extend or implement the benefits  
31 of the Fund;

32 (5) Expenses related to oil-related activities in the Department's water  
33 pollution control programs; [and]

34 (6) In fiscal years 2015 and 2016 only, paying costs associated with the  
35 purposes of the Oil Contaminated Site Environmental Cleanup Fund specified in § 4-704  
36 of this title; **AND**

1           **(7) ANY COSTS INCURRED BY A MUNICIPALITY ASSOCIATED WITH THE**  
2 **CONTAMINATION OF THE MUNICIPAL WATER SUPPLY CAUSED BY THE ACTION OF AN**  
3 **ENTITY THAT RECEIVES FUNDING FROM THE STATE, INCLUDING THE**  
4 **ESTABLISHMENT OF AN ALTERNATIVE WATER SUPPLY.**

5           SECTION 2. AND BE IT FURTHER ENACTED, That:

6           (a) Subject to subsection (b) of this section, the Department of the Environment  
7 shall use money credited to the Maryland Oil Disaster Containment, Clean-Up and  
8 Contingency Fund to pay the costs of any cleanup, corrective action, and treatment of  
9 contamination of the public water supply resulting from actions taken by the University of  
10 Maryland Medical Center at Chestertown in order to provide safe and affordable drinking  
11 water to residents and businesses of the Town of Chestertown without disruption.

12           (b) The requirement to pay the costs under subsection (a) of this section shall be  
13 triggered by the detection of any contaminant, including total petroleum hydrocarbon  
14 (TPH), diesel ranged organics (DROs) and volatile organic compounds (VOCs), Ivey-sol  
15 surfactant, or other constituents associated with a fuel oil spill, at a level exceeding the  
16 maximum contaminant level specified in COMAR 26.04.01, in any monitoring well, sentinel  
17 well, or production well in the Town of Chestertown.

18           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
19 October 1, 2016.