

Chapter 626

**(House Bill 1456)**

AN ACT concerning

**Offshore Drilling Liability Act**

FOR the purpose of establishing that an offshore drilling activity is an ultrahazardous and abnormally dangerous activity; establishing that a person that causes a spill of oil or gas while engaged in an offshore drilling activity is strictly liable for certain damages; voiding as against public policy a provision of any contract or agreement that attempts or purports to waive certain rights or reduce certain liability for injury, death, or loss to person or property caused by an oil or gas spill as a result of an offshore drilling activity; establishing that certain provisions concerning a certain bond do not apply to a judgment in a civil action for damages relating to an offshore drilling activity; defining certain terms; providing for the application of this Act; and generally relating to civil liability for oil or gas spills related to offshore drilling activities.

BY adding to

Article – Courts and Judicial Proceedings

Section 3–2101 through 3–2104 to be under the new subtitle “Subtitle 21. Offshore Drilling Liability Act”

Annotated Code of Maryland

(2013 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article – Courts and Judicial Proceedings

Section 12–301.1(a)

Annotated Code of Maryland

(2013 Replacement Volume and 2017 Supplement)

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

**Article – Courts and Judicial Proceedings**

**SUBTITLE 21. OFFSHORE DRILLING LIABILITY ACT.**

**3–2101.**

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

(B) (1) “GAS” MEANS ANY NATURAL GAS OR OTHER FLUID HYDROCARBONS THAT ARE PRODUCED FROM A NATURAL RESERVOIR.

(2) “GAS” INCLUDES:

(I) CARBON DIOXIDE; AND

(II) HYDROGEN SULFIDE.

(C) “OFFSHORE DRILLING ACTIVITY” MEANS ~~EXPLORATION OR DRILLING FOR THE:~~

(1) THE EXPLORATION, DEVELOPMENT, OR PRODUCTION OF OIL OR GAS IN, ON, OR UNDER THE FEDERAL OUTER CONTINENTAL SHELF WATERS; AND

(2) TRANSPORTING OIL OR GAS BY PIPELINE, SHIP, OR OTHERWISE FROM A SPECIFIC SITE OF EXPLORATION, DEVELOPMENT, OR PRODUCTION OF OIL OR GAS ON THE FEDERAL OUTER CONTINENTAL SHELF.

(D) “OIL” MEANS OIL OF ANY KIND OR IN ANY FORM, INCLUDING PETROLEUM, PETROLEUM BY-PRODUCTS, FUEL OIL, SLUDGE, CRUDE OIL, OIL REFUSE, AND OIL MIXED WITH WASTES.

**3-2102.**

(A) AN OFFSHORE DRILLING ACTIVITY IS AN ULTRAHAZARDOUS AND ABNORMALLY DANGEROUS ACTIVITY.

(B) A PERSON THAT CAUSES A SPILL OF OIL OR GAS WHILE ENGAGED IN AN OFFSHORE DRILLING ACTIVITY IS STRICTLY LIABLE FOR DAMAGES FOR ANY INJURY, DEATH, OR LOSS TO PERSON OR PROPERTY THAT IS CAUSED BY THE SPILL.

**3-2103.**

A PROVISION IN ANY CONTRACT OR AGREEMENT THAT ATTEMPTS OR PURPORTS TO WAIVE THE RIGHT TO BRING AN ACTION UNDER THIS SUBTITLE OR REDUCE ANY LIABILITY FOR INJURY, DEATH, OR LOSS TO PERSON OR PROPERTY THAT IS CAUSED BY A SPILL OF OIL OR GAS AS A RESULT OF AN OFFSHORE DRILLING ACTIVITY IS VOID AS AGAINST PUBLIC POLICY.

**3-2104.**

THIS SUBTITLE MAY BE CITED AS THE OFFSHORE DRILLING LIABILITY ACT.

12-301.1.

(a) **(1) THIS SECTION DOES NOT APPLY TO A JUDGMENT IN AN ACTION FOR DAMAGES UNDER § 3-2102 OF THIS ARTICLE.**

**(2)** Except as provided in subsection (d) of this section and notwithstanding any other law or court rule, in a civil action the amount of the supersedeas bond necessary to obtain a stay of enforcement of a judgment granting any type of relief during the entire course of all appeals or discretionary reviews may not exceed the lesser of \$100,000,000 or the amount of the judgment for each appellant, regardless of the amount of the judgment appealed.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any cause of action arising before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

**Approved by the Governor, May 15, 2018.**