

# SENATE BILL 1031

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By: **Senator Peters**

Introduced and read first time: March 4, 2019

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Environment – Maryland Oil Disaster Containment, Clean-Up and Contingency**  
3 **Fund and Oil Contaminated Site Environmental Cleanup Fund – Funding,**  
4 **Reallocation, and Reimbursements**

5 FOR the purpose of altering the basis for calculating a certain license fee credited to the  
6 Maryland Oil Disaster Containment, Clean-Up and Contingency Fund and the Oil  
7 Contaminated Site Environmental Cleanup Fund; expanding, for certain fiscal  
8 years, the purposes for which the Department of the Environment may use money  
9 in the Maryland Oil Disaster Containment, Clean-Up and Contingency Fund;  
10 extending the deadline by which the owner of a certain eligible heating oil tank may  
11 apply for reimbursement of certain costs from the Oil Contaminated Site  
12 Environmental Cleanup Fund; and generally relating to the Maryland Oil Disaster  
13 Containment, Clean-Up and Contingency Fund and the Oil Contaminated Site  
14 Environmental Cleanup Fund.

15 BY repealing and reenacting, with amendments,  
16 Article – Environment  
17 Section 4-411(c)(1), (f), and (g) and 4-705(b)  
18 Annotated Code of Maryland  
19 (2013 Replacement Volume and 2018 Supplement)

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

22 **Article – Environment**

23 4-411.

24 (c) (1) A license required under this section shall be secured from the  
25 Department of the Environment subject to the terms and conditions set forth in this section.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 The fee on any barrel shall be imposed only once, at the point of first transfer in the State.  
2 The license fee shall be:

3 (i) Credited to the Maryland Oil Disaster Containment, Clean-Up  
4 and Contingency Fund and based on:

5 1. Before [July 1, 2019] **JULY 1, 2021**, a 7.75 cents per  
6 barrel fee for oil transferred in the State; and

7 2. On or after [July 1, 2019] **JULY 1, 2021**, a 5 cents per  
8 barrel fee for oil transferred in the State; and

9 (ii) Until [July 1, 2019] **JULY 1, 2021**, based on an additional 0.25  
10 cent per barrel fee for oil transferred in the State and credited to the Oil Contaminated Site  
11 Environmental Cleanup Fund as described in Subtitle 7 of this title.

12 (f) (1) There is a Maryland Oil Disaster Containment, Clean-Up and  
13 Contingency Fund for the Department to use to develop equipment, personnel, and plans;  
14 for contingency actions to respond to, contain, clean-up, and remove from the land and  
15 waters of the State discharges of oil, petroleum products, and their by-products into, upon,  
16 or adjacent to the waters of the State; and restore natural resources damaged by discharges.  
17 The Fund may also be used by the Department for oil-related activities in water pollution  
18 control programs. The cost of containment, clean-up, removal, and restoration, including  
19 attorneys' fees and litigation costs, shall be reimbursed to the State by the person  
20 responsible for the discharge. The reimbursement shall be credited to the Fund. The Fund  
21 shall be limited in accordance with the limits set forth in this section. To this sum shall be  
22 credited every license fee, fine, if imposed by the circuit court for any county, and any other  
23 charge related to this subtitle. To this Fund shall be charged every expense the Department  
24 of the Environment has which relates to this section.

25 (2) Notwithstanding any other provision of this section, in fiscal years  
26 **[2018 and] 2019, 2020, AND 2021** only, the Fund may be used to pay costs associated with  
27 the purposes of the Oil Contaminated Site Environmental Cleanup Fund specified in  
28 § 4-704 of this title.

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

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

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

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

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

8           (5)    Expenses related to oil-related activities in the Department's water  
9 pollution control programs; and

10          (6)    In fiscal years [2018 and] 2019, **2020, AND 2021** only, paying costs  
11 associated with the purposes of the Oil Contaminated Site Environmental Cleanup Fund  
12 specified in § 4-704 of this title.

13 4-705.

14          (b)    Until [June 30, 2019] **JUNE 30, 2021**, the owner of a heating oil tank eligible  
15 under § 4-704(b)(1)(iii) of this subtitle may apply to the Fund for reimbursement no later  
16 than 6 months after the completion of rehabilitation for usual, customary, and reasonable  
17 costs incurred on or after October 1, 2000 in performing site rehabilitation.

18          SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
19 1, 2019.