Chapter 772

(Senate Bill 1031)

AN ACT concerning

Environment – Maryland Oil Disaster Containment, Clean–Up and Contingency Fund and Oil Contaminated Site Environmental Cleanup Fund – Funding, Reallocation, and Reimbursements

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

BY repealing and reenacting, with amendments,

Article – Environment Section 4–411(c)(1), (f), and (g) and 4–705(b) Annotated Code of Maryland (2013 Replacement Volume and 2018 Supplement)

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

Article – Environment

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(c) (1) A license required under this section shall be secured from the Department of the Environment subject to the terms and conditions set forth in this section. The fee on any barrel shall be imposed only once, at the point of first transfer in the State. The license fee shall be:

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

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

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

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

(f) (1) There is a Maryland Oil Disaster Containment, Clean–Up and Contingency Fund for the Department to use to develop equipment, personnel, and plans; for contingency actions to respond to, contain, clean–up, and remove from the land and waters of the State discharges of oil, petroleum products, and their by–products into, upon, or adjacent to the waters of the State; and restore natural resources damaged by discharges. The Fund may also be used by the Department for oil–related activities in water pollution control programs. The cost of containment, clean–up, removal, and restoration, including attorneys' fees and litigation costs, shall be reimbursed to the State by the person responsible for the discharge. The reimbursement shall be credited to the Fund. The Fund shall be limited in accordance with the limits set forth in this section. To this sum shall be credited to this subtitle. To this Fund shall be charged every expense the Department of the Environment has which relates to this section.

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

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

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

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

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

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

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

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

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

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

Enacted under Article II, § 17(c) of the Maryland Constitution, May 25, 2019.