

SENATE BILL 661

M3

11r2400

By: **Senator Patterson**

Introduced and read first time: February 3, 2021

Assigned to: Education, Health, and Environmental Affairs

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; authorizing
7 the Maryland Oil Disaster Containment, Clean-Up and Contingency Fund to be
8 used, in certain fiscal years, to reimburse the owner of a heating oil tank that applied
9 to the Oil Contaminated Site Environmental Cleanup Fund on or before a certain
10 date; making conforming and stylistic changes; and generally relating to the
11 Maryland Oil Disaster Containment, Clean-Up and Contingency Fund and Oil
12 Contaminated Site Environmental Cleanup Fund.

13 BY repealing and reenacting, without amendments,
14 Article – Environment
15 Section 4-411(a)(1) and (3), 4-701(a) and (c), and 4-705(b)
16 Annotated Code of Maryland
17 (2013 Replacement Volume and 2020 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – Environment
20 Section 4-411(c), (f), and (g)
21 Annotated Code of Maryland
22 (2013 Replacement Volume and 2020 Supplement)

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

25 **Article – Environment**

26 4-411.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) (1) In this section the following words have the meanings indicated.

2 (3) "Fund" means the Maryland Oil Disaster Containment, Clean-Up and
3 Contingency Fund.

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

6 (2) The fee on any barrel shall be imposed only once, at the point of first
7 transfer in the State.

8 (3) The license fee shall be:

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

11 1. Before July 1, [2021] 2024, a [7.75] 8 cents per barrel fee
12 for oil transferred in the State; and

13 2. On or after July 1, [2021] 2024, a 5 cents per barrel fee
14 for oil transferred in the State; and

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

18 [(2)] (4) (I) The license fee shall be paid quarterly to the Department
19 and on receipt by the Comptroller, credited to the proper fund.

20 (II) The licensee shall certify to the Department, on forms as may be
21 prescribed by the Department, the number of barrels of oil transferred by the licensee
22 during the fee quarter no later than the last day of the month following the fee quarter.

23 (III) These records shall be kept confidential by the Department.

24 [(3)] (5) When the balance in the Maryland Oil Disaster Containment,
25 Clean-Up and Contingency Fund from the monthly license fees paid under paragraph
26 [(1)(i)] (3)(I) of this subsection into the Fund equals or exceeds a maximum limit of
27 \$5,000,000, collection of subsequent monthly license fees under paragraph [(1)(i)] (3)(I) of
28 this subsection shall be abated until:

29 (i) The balance in the Fund from the license fees becomes less than
30 or equal to \$4,000,000; or

31 (ii) There is evidence that the balance in the Fund could be

1 **(3) IN FISCAL YEARS 2022 THROUGH 2026, THE FUND MAY BE USED**
2 **TO REIMBURSE THE OWNER OF A HEATING OIL TANK THAT APPLIED, ON OR BEFORE**
3 **JUNE 30, 2021, TO THE OIL CONTAMINATED SITE ENVIRONMENTAL CLEANUP**
4 **FUND UNDER § 4-705(B) OF THIS TITLE.**

5 (g) **(1)** Money in the Fund not needed currently to meet the Department of the
6 Environment's obligations in the exercise of its responsibility under this section shall be
7 deposited with the State Treasurer to the credit of the Fund, and may be invested as
8 provided by law.

9 **(2)** Interest received on the investment shall be credited to the Fund.

10 **(3)** The Secretary of the Environment shall determine the proper allocation
11 of the money credited to the Fund only for the following purposes:

12 **[(1)] (I)** Administrative expenses, personnel expenses, and equipment
13 costs of the Department related to the purposes of this section;

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

18 **[(3)] (III)** Development of containment and clean-up equipment, plans,
19 and procedures in accordance with the purposes of this section;

20 **[(4)] (IV)** Paying insurance costs by the State to extend or implement the
21 benefits of the Fund;

22 **[(5)] (V)** Expenses related to oil-related activities in the Department's
23 water pollution control programs; **[and]**

24 **[(6)] (VI)** In fiscal years 2019, 2020, and 2021 only, paying costs associated
25 with the purposes of the Oil Contaminated Site Environmental Cleanup Fund specified in
26 § 4-704 of this title; **AND**

27 **(VII) IN FISCAL YEARS 2022 THROUGH 2026, REIMBURSING THE**
28 **OWNER OF A HEATING OIL TANK THAT APPLIED, ON OR BEFORE JUNE 30, 2021, TO**
29 **THE OIL CONTAMINATED SITE ENVIRONMENTAL CLEANUP FUND UNDER §**
30 **4-705(B) OF THIS TITLE.**

31 4-701.

32 (a) In this subtitle the following words have the meanings indicated.

1 (c) “Fund” means the Oil Contaminated Site Environmental Cleanup Fund.
2 4-705.

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

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
8 1, 2021.