

Mid-Atlantic Petroleum Distributors Association P.O. Box 711 ★ Annapolis, MD 21404 410-693-2226 ★ www.mapda.com

TO: House Environment & Transportation and Economic Matters Committees

FROM: Mid-Atlantic Petroleum Distributors Association

DATE: March 1, 2024

RE: HOUSE BILL 1008 – Fossil Fuel Transportation Fee and Mitigation Fund

On behalf of Maryland's convenience stores and energy distributors, MAPDA urges the committee to issue an unfavorable report on HB1008 as introduced.

This legislation creates a fee on the transportation of certain fuels in the state.

As introduced, there is a limited exemption on fuels for which a fee is levied via §4-411 of the Environment Article. The understanding is this would exempt motor fuels from this new transportation fee. However, given the licenses many of our distributors operate under, the fee under HB1008 would in fact apply. Propane and heat oil products would also fall under this new fee.

Taken together, this new fee would lead to higher prices at the gas pump and on energy bills.

Attached is an amendment for the committees to consider that would exempt the aforementioned products.

For these reasons, MAPDA respectfully requests an unfavorable committee report on HB1008 as introduced.



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AMENDMENT TO HOUSE BILL 1008 (Draft)

On page 2, in line 11, after "STATE" insert ", BUT DOES NOT INCLUDE PERSONS TRANSPORTING NATURAL GAS IN INTERSTATE COMMERCE THROUGH FACILITIES REGULATED BY THE FEDERAL ENERGY REGULATORY COMMISSION UNDER THE NATURAL GAS ACT, 15 U.S. CODE §§ 717, 717F OR PERSONS TRANSPORTING OIL IN INTERSTATE COMMERCE AS REGULATED BY THE FEDERAL ENERGY REGULATORY COMMISSION UNDER THE INTERSTATE COMMERCE ACT, 49 U.S.C. § 1 (1)(B), 49 App. U.S.C. § 1 et seq. (1988).

(1) "OIL" MEANS OIL OF ANY KIND AND IN ANY LIQUID FORM INCLUDING:
(I) PETROLEUM;
(II) PETROLEUM BY-PRODUCTS;
(III) FUEL OIL;
(IV) SLUDGE CONTAINING OIL OR OIL RESIDUES;
(V) OIL REFUSE;
(VI) OIL MIXED WITH OR ADDED TO OR OTHERWISE CONTAMINATING SOIL, WASTE, OR ANY OTHER LIQUID OR SOLID MEDIA;
(VII) CRUDE OILS;
(VIII) AVIATION FUEL;
(IX) GASOLINE;
(X) KEROSENE;
(XI) LIGHT AND HEAVY FUEL OILS;
(XII) DIESEL MOTOR FUEL, INCLUDING BIODIESEL FUEL, REGARDLESS OF WHETHER THE FUEL IS PETROLEUM BASED;
(XIII) ASPHALT;
(XIV) ETHANOL THAT IS INTENDED TO BE USED AS A MOTOR FUEL OR FUEL SOURCE; AND
(XV) REGARDLESS OF SPECIFIC GRAVITY, EVERY OTHER NONEDIBLE, NONSUBSTITUTED LIQUID PETROLEUM FRACTION UNLESS THAT FRACTION IS SPECIFICALLY IDENTIFIED AS A HAZARDOUS SUBSTANCE UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT OF 1980, 42 U.S.C. § 9601 ET SEQ.
(2) "OIL" DOES NOT INCLUDE:
(I) LIQUEFIED PROPANE;
(II) LIQUEFIED NATURAL GAS; OR
(III) ANY EDIBLE OILS.

Feeding and fueling the economy through gas, coffee, food, heating oil and propane.

MAPDA is an association of convenience stores and energy distributors in Maryland, Delaware & the District of Columbia.