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By: **Delegates Walkup, Barkley, Boutin, Cadden, Cryor, D'Amato, Glassman, Guns, Hutchins, Kittleman, Klima, Kopp, Leopold, Riley, Rosso, Rzepkowski, Sophocleus, Stocksdales, Amedori, W. Baker, Bartlett, Barve, Bobo, Bohanan, Boschert, Brinkley, Cane, Clagett, DeCarlo, Dembrow, Donoghue, Doory, Eckardt, Elliott, Flanagan, Getty, Goldwater, Hubbard, James, Kach, J. Kelly, La Vay, Mandel, Mitchell, Moe, Murphy, O'Donnell, Parrott, Pendergrass, Pitkin, Ports, Schisler, Stern, Stull, and Wood**

Introduced and read first time: February 11, 2000  
Assigned to: Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Dredge Material - Alternative Uses - Fund**

3 FOR the purpose of establishing a Dredge Disposal Alternatives Fund as a special,  
4 continuing, nonlapsing fund; providing for the purposes and goals of the Fund;  
5 authorizing the Department of Business and Economic Development to provide  
6 certain financial assistance from the Fund for certain purposes; directing the  
7 Governor to appropriate a certain amount of funds for certain fiscal years for a  
8 certain purpose; providing that the Maryland Port Administration is responsible  
9 for transporting and unloading dredge material for certain purposes; requiring  
10 the State Treasurer to hold the Fund and the State Comptroller to account for  
11 the Fund; defining certain terms; requiring recipients of financial assistance  
12 from the Fund to submit certain reports on a certain basis to the Department of  
13 Business and Economic Development; authorizing the Department to impose  
14 terms and conditions on financial assistance provided from the Fund; requiring  
15 the Secretary of Business and Economic Development to submit certain reports;  
16 providing for the termination of this Act; and generally relating to the creation  
17 of a Fund and pilot project for the development of dredge material reuse  
18 projects.

19 BY adding to  
20 Article 83A - Department of Business and Economic Development  
21 Section 6-901 through 6-905, inclusive, to be under the new subtitle "Subtitle 9.  
22 Dredge Disposal Alternatives Fund"  
23 Annotated Code of Maryland  
24 (1998 Replacement Volume and 1999 Supplement)

1 Preamble

2 WHEREAS, The shipping channels for the Port of Baltimore, including the  
3 main channels and anchorages in and adjacent to the Chesapeake Bay and its  
4 approaches, must undergo dredging in order to maintain channel depth necessary for  
5 the economic viability of the Port; and

6 WHEREAS, Dredge material has economic value and should be viewed as a  
7 sustainable, replenishable resource; and

8 WHEREAS, There is a pressing need to work within a climate of limited  
9 financial resources to fulfill the stewardship responsibilities for Maryland's water  
10 resources infrastructure; and

11 WHEREAS, Innovative solutions can facilitate the successful management of  
12 the Chesapeake Bay and the Port of Baltimore; and

13 WHEREAS, Conversion of dredge material to beneficial reuse projects that  
14 have economic value will result in a self-sustaining program for the reuse of dredge  
15 material; now, therefore,

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

18 **Article 83A - Department of Business and Economic Development**

19 SUBTITLE 9. DREDGE DISPOSAL ALTERNATIVES FUND.

20 6-901.

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

23 (B) (1) "DREDGE MATERIAL" MEANS EARTH, ROCK, SOIL, WASTE MATTER,  
24 MUCK, OR OTHER MATERIAL DREDGED FROM NAVIGATIONAL CHANNELS IN THE  
25 CHESAPEAKE BAY.

26 (2) "DREDGE MATERIAL" DOES NOT INCLUDE MATERIAL EXCAVATED  
27 FROM BALTIMORE HARBOR.

28 (C) "DREDGE MATERIAL REUSE PROJECT" MEANS THE IMPLEMENTATION AND  
29 MARKET DEVELOPMENT OF TECHNOLOGY THAT IS INTENDED TO DEWATER,  
30 ANALYZE FOR CONTAMINANTS, DRY, AND PROCESS DREDGE MATERIAL FROM  
31 NAVIGATIONAL CHANNELS IN THE CHESAPEAKE BAY FOR REUSE IN AN  
32 ECONOMICALLY BENEFICIAL MANNER.

33 (D) "FUND" MEANS THE DREDGE DISPOSAL ALTERNATIVES FUND.

34 (E) "PROGRAM" MEANS THE ORGANIZATIONAL UNIT IN THE DEPARTMENT  
35 THAT ADMINISTERS THE DREDGE DISPOSAL ALTERNATIVES FUND.

1 (F) "REUSE" MEANS THE RECYCLING OF DREDGE MATERIAL FOR ITS USE IN  
2 ANOTHER PRODUCT, INCLUDING, BUT NOT LIMITED TO, COMMERCIAL AND  
3 INDUSTRIAL USES.

4 6-902.

5 (A) THE PURPOSE OF THE DREDGE DISPOSAL ALTERNATIVES FUND IS TO  
6 ESTABLISH A PILOT PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO INDIVIDUALS  
7 AND BUSINESS ENTERPRISES FOR THE DEMONSTRATION OF TECHNOLOGIES AND  
8 DEVELOPMENT OF MARKETS FOR TECHNOLOGIES THAT ARE INTENDED TO  
9 DEWATER, ANALYZE FOR CONTAMINANTS, DRY, AND PROCESS DREDGE MATERIAL  
10 FOR REUSE IN AN ECONOMICALLY BENEFICIAL MANNER.

11 (B) THE GOALS OF THE PILOT PROJECT AND FUND ARE TO:

12 (1) ENCOURAGE THE IMPLEMENTATION OF TECHNOLOGIES THAT HELP  
13 PROTECT THE PUBLIC HEALTH AND THE ENVIRONMENT BY USING DREDGE  
14 MATERIAL AS A RESOURCE;

15 (2) ENCOURAGE THE DEVELOPMENT OF END-USE MARKETS FOR  
16 TECHNOLOGIES THAT HELP PROTECT THE PUBLIC HEALTH AND THE ENVIRONMENT  
17 BY USING DREDGE MATERIAL AS A RESOURCE; AND

18 (3) FACILITATE THE REUSE OF AT LEAST 500,000 CUBIC YARDS OF  
19 DREDGE MATERIAL EACH YEAR THROUGH PROCESSING AND REUSE.

20 6-903.

21 (A) THERE IS A DREDGE DISPOSAL ALTERNATIVES FUND IN THE  
22 DEPARTMENT.

23 (B) THE FUND IS A SPECIAL CONTINUING, NONLAPSING FUND NOT SUBJECT  
24 TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

25 (C) THE FUND MAY CONSIST OF:

26 (1) MONEYS APPROPRIATED BY THE STATE;

27 (2) MONEYS MADE AVAILABLE THROUGH FEDERAL PROGRAMS OR  
28 PRIVATE CONTRIBUTIONS;

29 (3) INCOME FROM INVESTMENTS THAT THE STATE TREASURER MAKES  
30 FROM MONEYS IN THE FUND;

31 (4) REPAYMENTS OF PRINCIPAL AND INTEREST FROM LOANS MADE  
32 FROM THE FUND;

33 (5) INCOME FROM EQUITY INVESTMENTS THAT THE DEPARTMENT  
34 MAKES FROM THE FUND;

1 (6) PROCEEDS FROM THE SALE, DISPOSITION, LEASE, OR RENTAL BY  
2 THE DEPARTMENT OF COLLATERAL RELATED TO ANY FINANCING PROVIDED BY THE  
3 DEPARTMENT UNDER THIS SUBTITLE;

4 (7) APPLICATION OR OTHER REASONABLE FEES PAID TO THE PROGRAM  
5 IN CONNECTION WITH THE PROCESSING OF REQUESTS FOR ASSISTANCE; AND

6 (8) ANY OTHER MONEYS MADE AVAILABLE TO THE FUND.

7 (D) (1) THE STATE TREASURER SHALL HOLD THE FUND AND THE STATE  
8 COMPTROLLER SHALL ACCOUNT FOR THE FUND.

9 (2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO  
10 THE FUND.

11 (E) THE PROGRAM MAY USE MONEYS IN THE FUND TO:

12 (1) PROVIDE FINANCIAL ASSISTANCE FOR IMPLEMENTING DREDGE  
13 MATERIAL REUSE PROJECTS FOR INDUSTRIAL AND COMMERCIAL PURPOSES;

14 (2) PROVIDE FINANCIAL ASSISTANCE FOR THE DEVELOPMENT OF  
15 END-USE MARKETS FOR DREDGE MATERIAL;

16 (3) PROVIDE FINANCIAL ASSISTANCE TO DEFRAID THE COSTS OF  
17 DREDGE MATERIAL REUSE PROJECTS; AND

18 (4) PAY EXPENSES FOR ADMINISTRATIVE, ACTUARIAL, LEGAL, AND  
19 TECHNICAL SERVICES ASSOCIATED WITH OPERATING THE FUND.

20 (F) THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL FOR  
21 FISCAL YEAR 2001 A PROPOSED GENERAL FUND APPROPRIATION TO THE FUND IN AN  
22 AMOUNT NOT LESS THAN \$1,000,000.

23 6-904.

24 FINANCIAL ASSISTANCE PROVIDED FROM THE FUND MAY BE:

25 (1) USED ONLY TO PAY THE COSTS OF CARRYING OUT A DREDGE  
26 MATERIAL REUSE PROJECT; AND

27 (2) IN THE FORM OF A GRANT.

28 6-905.

29 THE MARYLAND PORT ADMINISTRATION OF THE DEPARTMENT OF  
30 TRANSPORTATION SHALL BE RESPONSIBLE FOR TRANSPORTING AND UNLOADING  
31 DREDGED MATERIAL AND THE COSTS ASSOCIATED WITH TRANSPORTING AND  
32 UNLOADING DREDGE MATERIAL FOR PROCESSING AT THE SITE OF THE DREDGE  
33 MATERIAL REUSE PROJECT.

1 SECTION 2. AND BE IT FURTHER ENACTED, That an individual or  
2 business enterprise that receives financial assistance from the Dredge Disposal  
3 Alternatives Fund established by this Act for carrying out a dredge material reuse  
4 project shall submit every 6 months to the Department of Business and Economic  
5 Development a status report that clearly documents how the funds are being used by  
6 the individual or business enterprise and the extent to which dredge material has  
7 been processed and reused.

8 SECTION 3. AND BE IT FURTHER ENACTED, That the Department of  
9 Business and Economic Development may impose terms and conditions on financial  
10 assistance provided from the Dredge Disposal Alternatives Fund established under  
11 this Act.

12 SECTION 4. AND BE IT FURTHER ENACTED, That the Secretary of Business  
13 and Economic Development shall submit a report to the General Assembly, in  
14 accordance with § 2-1246 of the State Government Article, by December 1, 2001, and  
15 by July 1, 2002, on the Dredge Disposal Alternatives Fund established under this Act.  
16 The reports shall include information on the participation levels in the pilot project  
17 and Fund, the amount of dredge material processed and reused through the pilot  
18 project, and the amount of funds distributed. The reports shall also evaluate the  
19 potential impact that termination of the Fund and pilot project will have on the  
20 disposal of dredge materials in the State. The report submitted on July 1, 2002 shall  
21 also include information on the economic impact on individuals and business entities  
22 that participated in dredge material reuse projects under this Act.

23 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect  
24 July 1, 2000. It shall remain effective for a period of 2 years and, at the end of June  
25 30, 2002, with no further action required by the General Assembly, this Act shall be  
26 abrogated and of no further force and effect. Any money remaining in the Dredge  
27 Disposal Alternatives Fund on June 30, 2002, or due to the Dredge Disposal  
28 Alternatives Fund after June 30, 2002, shall be paid into the General Fund.