
By: **Delegates Frush, Vallario, V. Clagett, Menes, Moe, Proctor, and Ross**

Introduced and read first time: February 11, 2005

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Scrap Tires - Reimbursement of Costs and Grants**

3 FOR the purpose of exempting certain sites from the requirement of reimbursing a
4 certain fund for costs incurred due to the storage, disposal, or processing of scrap
5 tires under certain circumstances; requiring the Secretary of the Environment
6 to include in certain regulations the criterion of whether the owner or operator
7 of the site had any responsibility for the storage, disposal, or processing of scrap
8 tires; requiring the Department of the Environment to recommend a certain
9 grant for owners or operators of sites involving scrap tires under certain
10 circumstances; allowing for the reimbursement of up to a certain percentage of
11 certain cleanup costs if the owner or operator was not responsible for the
12 storage, disposal, or processing of scrap tires; and generally relating to the
13 storage, disposal, or processing of scrap tires.

14 BY repealing and reenacting, with amendments,
15 Article - Environment
16 Section 9-276 through 9-278
17 Annotated Code of Maryland
18 (1996 Replacement Volume and 2004 Supplement)

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

21 **Article - Environment**

22 9-276.

23 (a) Except as provided in subsection (d) of this section, all expenditures from
24 the State Used Tire Cleanup and Recycling Fund made by the Department under §
25 9-275(a)(1) of this subtitle in response to the storage or disposal of used tires at a
26 particular site shall be reimbursed to the Department for the State Used Tire
27 Cleanup and Recycling Fund by the owner or operator of the site or any other person
28 who caused the tires to be stored or disposed of at the site in violation of this subtitle.

1 (b) In addition to any other legal action authorized by this subtitle, the
2 Attorney General may bring an action to recover costs and interest from any person
3 who fails to make reimbursement as required under subsection (a) of this section.

4 (c) [The] EXCEPT AS PROVIDED IN SUBSECTION (D)(2) OF THIS SECTION, THE
5 Department may recover costs incurred by the Department under § 9-275(a)(1) of this
6 subtitle whether or not the discarded tires were disposed of or stored at the site before
7 July 1, 1989.

8 (d) This section does not apply to [expenditures]:

9 (1) EXPENDITURES of \$10,000 or less related to removal, restoration, or
10 remedial action in response to the disposal or storage of scrap tires in violation of this
11 subtitle if:

12 [(1)] (I) The owner of the site acquired the property containing the scrap
13 tires prior to January 1, 2000 by inheritance or bequest at the death of the transferor;
14 and

15 [(2)] (II) The tires were stored or disposed of at the site prior to January
16 1, [2000] 2000; AND

17 (2) A SITE WHERE SCRAP TIRES WERE STORED, DISPOSED, OR
18 PROCESSED ONLY BEFORE JULY 1, 1989, IF THE OWNER OR OPERATOR OF THE SITE:

19 (I) IS NOT ENGAGED IN THE BUSINESS OF STORAGE, DISPOSAL, OR
20 PROCESSING OF SCRAP TIRES, HAZARDOUS SUBSTANCES, OR OTHER WASTE;

21 (II) DID NOT CAUSE OR ALLOW SCRAP TIRES TO BE STORED,
22 DISPOSED, OR PROCESSED ON THE SITE; AND

23 (III) 1. OBTAINED THE SITE OR AN INTEREST IN THE SITE BY
24 INHERITANCE, BEQUEST, OR OTHERWISE AT THE DEATH OF THE TRANSFEROR; OR

25 2. WAS A GOOD FAITH PURCHASER FOR VALUE OF THE SITE
26 OR AN INTEREST IN THE SITE.

27 9-277.

28 (a) With the approval of the Board of Public Works, the Secretary shall adopt
29 regulations that establish application procedures and criteria for the award of
30 financial assistance under § 9-275(a)(3) of this subtitle.

31 (b) The criteria shall provide the basis for project priority rankings and shall
32 include, as appropriate:

33 (1) The environmental or public health impacts caused by existing
34 circumstances;

35 (2) Previous efforts expended to correct any existing problem;

- 1 (3) Financial capacity of the applicant;
- 2 (4) The problem prevention aspects of a proposed project;
- 3 (5) Cost effectiveness of a proposed project;
- 4 (6) Provisions for monitoring and review;
- 5 (7) The contribution of the proposed project toward meeting State and
6 local solid waste plans and goals; [and]
- 7 (8) Measures to assure accountability for all funds awarded under §
8 9-275(a)(3) of this subtitle; AND

9 (9) WHETHER THE OWNER OR OPERATOR OF THE SITE HAD ANY
10 RESPONSIBILITY FOR THE STORAGE, DISPOSAL, OR PROCESSING OF THE SCRAP
11 TIRES.

12 9-278.

13 (a) To the extent not inconsistent with this subtitle, a grant, or loan, or loan
14 guarantee agreement shall contain those conditions that the Secretary requires by
15 regulation and that the Board of Public Works requires on a specific application for
16 financial assistance in order to achieve the goals of this subtitle and to otherwise
17 protect the interests of the State.

18 (b) THE DEPARTMENT SHALL RECOMMEND TO THE BOARD OF PUBLIC WORKS
19 THAT THE BOARD APPROVE A GRANT TO THE OWNER OR OPERATOR FOR COSTS
20 INCURRED UNDER THIS SUBTITLE IF THE DEPARTMENT DETERMINES THAT:

21 (1) THE SCRAP TIRES WERE STORED, DISPOSED, OR PROCESSED ON THE
22 SITE BEFORE JULY 1, 1989; AND

23 (2) THE OWNER OR OPERATOR OF THE SITE HAD NO RESPONSIBILITY
24 FOR THE STORAGE, DISPOSAL, OR PROCESSING.

25 (C) A State loan extended under this subtitle:

26 (1) Shall bear at least the same rate of interest as the most recent State
27 general obligation bond sale preceding the date of approval by the Board of Public
28 Works; and

29 (2) Shall be repaid within 30 years.

30 [(c)] (D) A loan guarantee of the principal of or interest on any commercial
31 loan or obligation to finance the eligible cost of a project under this subtitle may only
32 be made if:

33 (1) The applicant certifies that the applicant is unable to obtain on
34 reasonable terms sufficient credit to finance its actual needs without the guarantee;
35 and

1 (2) The Board of Public Works determines that there is a reasonable
2 assurance of repayment of the loan obligation.

3 [(d)] (E) The eligible cost of a project for State financial assistance under §
4 9-275(a)(3) of this subtitle may include only the costs of plans, specifications,
5 equipment, construction, and rehabilitation or improvement as approved by the
6 Department.

7 [(e)] (F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,
8 State financial assistance under § 9-275(a)(3) of this subtitle may not exceed 50
9 percent of the eligible costs.

10 (2) STATE FINANCIAL ASSISTANCE UNDER § 9-275(A)(3) OF THIS
11 SUBTITLE MAY BE UP TO 100 PERCENT OF THE ELIGIBLE COSTS IF THE DEPARTMENT
12 DETERMINES THAT:

13 (I) THE SCRAP TIRES WERE STORED, DISPOSED, OR PROCESSED ON
14 THE SITE BEFORE JULY 1, 1989; AND

15 (II) THE OWNER OR OPERATOR OF THE SITE HAD NO
16 RESPONSIBILITY FOR THE STORAGE, DISPOSAL, OR PROCESSING.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 October 1, 2005.