
By: **Senator Stone**

Introduced and read first time: June 14, 2006

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore County - Liquefied Natural Gas Facilities - Dredging,**
3 **Construction, and Permitting**

4 FOR the purpose of altering the restrictions on dredging projects in the Baltimore
5 Harbor and waters of Baltimore County under certain circumstances;
6 prohibiting the Board of Public Works from approving certain licenses for
7 certain dredging projects in a certain area under certain circumstances;
8 requiring a certain person that proposes the construction of a liquefied natural
9 gas facility to post a surety bond for a certain amount; requiring the Governor to
10 designate the Public Service Commission as the agency to consult with the
11 Federal Energy Regulatory Commission under certain circumstances;
12 prohibiting the Public Service Commission from recommending regulatory
13 approval for the construction or operation of a liquefied natural gas facility in
14 Baltimore County that is located within a certain distance of a residence;
15 making the provisions of this Act severable; providing for the termination of
16 certain provisions of this Act; making this Act an emergency measure; and
17 generally relating to the dredging, construction, and permitting for liquefied
18 natural gas facilities.

19 BY adding to
20 Article - Environment
21 Section 16-202(f)
22 Annotated Code of Maryland
23 (1996 Replacement Volume and 2005 Supplement)

24 BY repealing and reenacting, with amendments,
25 Article - Public Utility Companies
26 Section 11-101
27 Annotated Code of Maryland
28 (1998 Volume and 2005 Supplement)

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

1

Article - Environment

2 16-202.

3 (F) (1) THIS SUBSECTION APPLIES ONLY TO DREDGING PROJECTS BY A
4 PRIVATE PERSON AND DOES NOT APPLY TO DREDGING PROJECTS INITIATED BY THE
5 STATE OR COUNTY.

6 (2) THE BOARD MAY NOT APPROVE A LICENSE TO DREDGE FOR A
7 PROJECT THAT IS WITHIN A ONE-HALF MILE RADIUS AROUND A POSITION LOCATED
8 AT LATITUDE 39 DEGREES, 13 MINUTES NORTH AND LONGITUDE 76 DEGREES, 30
9 MINUTES WEST, UNLESS THE PROJECT WOULD GENERATE LESS THAN 250,000 CUBIC
10 YARDS OF DREDGED MATERIALS IN A 1-YEAR PERIOD.

11 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
12 read as follows:

13

Article - Public Utility Companies

14 11-101.

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

16 (2) "Liquefied natural gas" means natural gas cooled to form a liquid at
17 approximately atmospheric pressure.

18 (3) "Liquefied natural gas facility" means any facility used to produce,
19 store, or regasify liquefied natural gas.

20 (b) The Commission shall adopt regulations to ensure to the greatest extent
21 practicable the operational safety of liquefied natural gas facilities.

22 (C) (1) FOR A LIQUEFIED NATURAL GAS FACILITY CONSTRUCTED ON OR
23 AFTER JUNE 1, 2006, THE COMMISSION SHALL REQUIRE A PERSON THAT
24 CONSTRUCTS THE NEW FACILITY TO FILE A SURETY BOND OR OTHER SECURITY
25 WITH THE LOCAL GOVERNING BODY.

26 (2) A BOND FILED UNDER THIS SUBSECTION SHALL:

27 (I) BE ISSUED BY A SURETY COMPANY AUTHORIZED TO DO
28 BUSINESS IN THE STATE;

29 (II) BE IN THE AMOUNT OF NOT LESS THAN \$10,000,000 AND NOT
30 MORE THAN \$100,000,000, AS DETERMINED BY THE COMMISSION;

31 (III) REMAIN IN EFFECT FOR AT LEAST 50 YEARS; AND

32 (IV) CONTAIN A PROVISION THAT THE BOND CANNOT BE CANCELED
33 BY THE SURETY, BANK, OR OTHER ISSUING ENTITY AT ANY TIME FOR ANY REASON,

1 INCLUDING NONPAYMENT OF THE PREMIUM OR BANKRUPTCY OF THE PERSON THAT
2 CONSTRUCTS THE FACILITY.

3 [(c)] (D) (1) The Commission shall inspect periodically each liquefied
4 natural gas facility to ensure compliance with the regulations adopted under
5 subsection (b) of this section.

6 (2) Inspections shall be conducted at intervals the Commission
7 determines necessary.

8 [(d)] (E) The Commission may enforce these regulations by any method
9 provided in § 2-117(a), § 13-201, or § 13-205 of this article.

10 (F) (1) FOR A PROPOSED LIQUEFIED NATURAL GAS FACILITY, THE
11 GOVERNOR SHALL DESIGNATE THE COMMISSION AS THE AGENCY THAT SHALL
12 CONSULT WITH THE FEDERAL ENERGY REGULATORY COMMISSION IN ACCORDANCE
13 WITH § 3A OF THE FEDERAL NATURAL GAS ACT.

14 (2) THE COMMISSION MAY NOT RECOMMEND ANY APPROVAL FOR THE
15 CONSTRUCTION OR OPERATION OF A LIQUEFIED NATURAL GAS FACILITY IF THE
16 FACILITY IS TO BE LOCATED:

17 (I) IN BALTIMORE COUNTY; AND

18 (II) WITHIN 2 MILES OF ANY RESIDENCE.

19 [(e)] (G) The Commission may enter into agreements with federal units as
20 necessary to carry out this section.

21 [(f)] (H) This section does not expand the definition of "public service
22 company" in § 1-101 of this article.

23 [(g)] (I) A person who violates a regulation that the Commission adopts under
24 this section is guilty of a misdemeanor and on conviction is subject to a fine not
25 exceeding \$10,000 for each day the violation continues, and imprisonment not
26 exceeding 1 year.

27 SECTION 3. AND BE IT FURTHER ENACTED, That if any provision of this
28 Act or the application thereof to any person or circumstance is held invalid for any
29 reason in a court of competent jurisdiction, the invalidity does not affect other
30 provisions or any other application of this Act which can be given effect without the
31 invalid provision or application, and for this purpose the provisions of this Act are
32 declared severable.

33 SECTION 4. AND BE IT FURTHER ENACTED, That this Act is an emergency
34 measure, is necessary for the immediate preservation of the public health or safety,
35 has been passed by a ye and nay vote supported by three-fifths of all the members
36 elected to each of the two Houses of the General Assembly, and shall take effect from
37 the date it is enacted. Section 1 of this Act shall remain effective through December
38 31, 2010, and at the end of December 31, 2010, with no further action required by the

1 General Assembly, Section 1 of this Act shall be abrogated and of no further force and
2 effect.