

# SENATE BILL 307

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71r1222

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By: **Senator Stone**

Introduced and read first time: January 31, 2007

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Liquefied Natural Gas Facilities – Impact Fee – County Services**

3 FOR the purpose of requiring the Public Service Commission to collect an impact fee  
4 from a liquefied natural gas facility under certain circumstances; authorizing a  
5 county to determine the amount of an impact fee or to obtain a determination  
6 from an independent third party for certain purposes; requiring the impact fee  
7 to provide for certain services and to be paid to a county under certain  
8 circumstances; prohibiting an impact fee from being imposed on certain  
9 facilities; and generally relating to liquefied natural gas facilities.

10 BY repealing and reenacting, with amendments,  
11 Article – Public Utility Companies  
12 Section 11–101  
13 Annotated Code of Maryland  
14 (1998 Volume and 2006 Supplement)

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

17 **Article – Public Utility Companies**

18 11–101.

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           (2) “Liquefied natural gas” means natural gas cooled to form a liquid  
2 at approximately atmospheric pressure.

3           (3) “Liquefied natural gas facility” means any facility used to produce,  
4 store, or regasify liquefied natural gas.

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

7           (c) (1) The Commission shall inspect periodically each liquefied natural  
8 gas facility to ensure compliance with the regulations adopted under subsection (b) of  
9 this section.

10           (2) Inspections shall be conducted at intervals the Commission  
11 determines necessary.

12           (d) The Commission may enforce these regulations by any method provided  
13 in § 2–117(a), § 13–201, or § 13–205 of this article.

14           (e) The Commission may enter into agreements with federal units as  
15 necessary to carry out this section.

16           (f) This section does not expand the definition of “public service company” in  
17 § 1–101 of this article.

18           (g) A person who violates a regulation that the Commission adopts under  
19 this section is guilty of a misdemeanor and on conviction is subject to a fine not  
20 exceeding \$10,000 for each day the violation continues, and imprisonment not  
21 exceeding 1 year.

22           **(H) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**  
23 **COMMISSION SHALL IMPOSE AN IMPACT FEE ON A LIQUEFIED NATURAL GAS**  
24 **FACILITY AT THE TIME THE FACILITY IS APPROVED AND CONSTRUCTION OF THE**  
25 **FACILITY BEGINS.**

26           **(2) THE COUNTY IN WHICH A LIQUEFIED NATURAL GAS FACILITY**  
27 **IS CONSTRUCTED MAY:**

28                   **(I) DETERMINE THE AMOUNT OF THE IMPACT FEE TO BE**  
29 **IMPOSED; OR**

1                   **(II) CONTRACT WITH A QUALIFIED, INDEPENDENT THIRD**  
2 **PARTY FOR THE DETERMINATION OF THE IMPACT FEE.**

3                   **(3) THE IMPACT FEE ESTABLISHED UNDER PARAGRAPH (1) OF**  
4 **THIS SUBSECTION SHALL PROVIDE FOR THE EXTRA SERVICES, ESPECIALLY FOR**  
5 **FIRE AND SAFETY REQUIREMENTS, THAT THE COUNTY MAY NEED DUE TO THE**  
6 **EXISTENCE OF THE LIQUEFIED NATURAL GAS FACILITY IN THE COUNTY.**

7                   **(4) AN IMPACT FEE COLLECTED UNDER THIS SUBSECTION SHALL**  
8 **BE:**

9                   **(I) REMITTED TO THE COUNTY WHERE THE FACILITY IS**  
10 **LOCATED; AND**

11                   **(II) USED FOR SERVICES IN ACCORDANCE WITH PARAGRAPH**  
12 **(3) OF THIS SUBSECTION.**

13                   **(5) THIS SUBSECTION MAY NOT BE CONSTRUED TO REQUIRE**  
14 **PAYMENT OF AN IMPACT FEE ON A LIQUEFIED NATURAL GAS FACILITY IN THE**  
15 **STATE AS IT EXISTED ON JUNE 1, 2007.**

16                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 June 1, 2007.