

HOUSE BILL 36

M3

(PRE-FILED)

0lr0730

CF SB 8

By: **Delegates Haddaway, Eckardt, Smigiel, and Norman**

Requested: October 9, 2009

Introduced and read first time: January 13, 2010

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Environment – Bay Restoration Fund – Payments to Contractors**

3 FOR the purpose of requiring the Comptroller or certain local governments to disburse
4 certain grant funds from the Bay Restoration Fund directly to certain
5 contractors under certain circumstances; and generally relating to the
6 disbursement of grant funds from the Bay Restoration Fund.

7 BY repealing and reenacting, without amendments,
8 Article – Environment
9 Section 9–1605.2(a)(1)
10 Annotated Code of Maryland
11 (2007 Replacement Volume and 2009 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article – Environment
14 Section 9–1605.2(h)(1), (i)(8)(i), (j), (k), and (l)
15 Annotated Code of Maryland
16 (2007 Replacement Volume and 2009 Supplement)

17 BY adding to
18 Article – Environment
19 Section 9–1605.2(j)
20 Annotated Code of Maryland
21 (2007 Replacement Volume and 2009 Supplement)

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

24 **Article – Environment**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 9-1605.2.

2 (a) (1) There is a Bay Restoration Fund.

3 (h) (1) With regard to the funds collected under subsection (b)(1)(i), from
4 users of an onsite sewage disposal system or holding tank that receive a water bill, (ii),
5 and (iii) of this section, beginning in fiscal year 2006, the Comptroller shall:

6 (i) Establish a separate account within the Bay Restoration
7 Fund; [and]

8 (ii) Disburse the funds as provided under paragraph (2) of this
9 subsection; AND

10 (III) **DISBURSE THE FUNDS IN THE SEPARATE ACCOUNT**
11 **ESTABLISHED UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION IN ACCORDANCE**
12 **WITH SUBSECTION (J) OF THIS SECTION.**

13 (i) (8) (i) The eligibility and priority ranking of a project shall be
14 determined by the Department based on criteria established in regulations adopted by
15 the Department, in accordance with subsection [(k)] (L) of this section.

16 (J) (1) **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
17 **SUBSECTION, THE COMPTROLLER SHALL DISBURSE GRANT FUNDS AWARDED**
18 **UNDER THIS SECTION DIRECTLY TO THE CONTRACTOR THAT INCURS COSTS**
19 **ELIGIBLE FOR REIMBURSEMENT AS IDENTIFIED IN SUBSECTIONS (H) AND (I) OF**
20 **THIS SECTION.**

21 (2) **A LOCAL GOVERNMENT AUTHORIZED BY THE DEPARTMENT**
22 **TO ADMINISTER GRANTS UNDER THIS SECTION SHALL DISBURSE THE GRANT**
23 **FUNDS DIRECTLY TO THE CONTRACTOR THAT INCURS COSTS ELIGIBLE FOR**
24 **REIMBURSEMENT AS IDENTIFIED IN SUBSECTIONS (H) AND (I) OF THIS SECTION.**

25 [(j)] (K) (1) There is a Bay Restoration Fund Advisory Committee.

26 (2) The Committee consists of the following members:

27 (i) The Secretaries of the Environment, Agriculture, Planning,
28 Natural Resources, and Budget and Management, or their designees;

29 (ii) One member of the Senate, appointed by the President of
30 the Senate;

31 (iii) One member of the House of Delegates, appointed by the
32 Speaker of the House of Delegates;

1 (iv) Two individuals representing publicly owned wastewater
2 facilities, appointed by the Governor;

3 (v) Two individuals representing environmental organizations,
4 appointed by the Governor;

5 (vi) One individual each from the Maryland Association of
6 Counties and the Maryland Municipal League, appointed by the Governor;

7 (vii) Two individuals representing the business community,
8 appointed by the Governor;

9 (viii) Two individuals representing local health departments who
10 have expertise in onsite sewage disposal systems, appointed by the Governor; and

11 (ix) One individual representing a university or research
12 institute who has expertise in nutrient pollution, appointed by the Governor.

13 (3) The Governor shall appoint the chairman of the Committee from
14 the designated members of the Committee.

15 (4) The Committee may consult with any stakeholder group as it
16 deems necessary.

17 (5) (i) The term of a member is 4 years.

18 (ii) A member continues to serve until a successor is appointed.

19 (iii) The terms of the members appointed by the Governor are
20 staggered as required by the terms provided for members of the Committee on October
21 1, 2004.

22 (iv) At the end of a term, a member continues to serve until a
23 successor is appointed and qualifies.

24 (v) A member who is appointed after a term has begun serves
25 only for the rest of the term and until a successor is appointed and qualifies.

26 (6) The Committee shall:

27 (i) Perform an analysis of the cost of nutrient removal from
28 wastewater facilities;

29 (ii) Identify additional sources for funding the Bay Restoration
30 Fund;

31 (iii) Make recommendations to improve the effectiveness of the
32 Bay Restoration Fund in reducing nutrient loadings to the waters of the State;

1 (iv) Make recommendations regarding the appropriate increase
2 in the restoration fee to be assessed in fiscal year 2008 and subsequent years as
3 necessary to meet the financing needs of the Bay Restoration Fund;

4 (v) In consultation with the governing body of each county:

5 1. Identify users of onsite sewage disposal systems and
6 holding tanks; and

7 2. Make recommendations to the governing body of each
8 county on the best method of collecting the Bay Restoration Fee from the users of
9 onsite sewage disposal systems and holding tanks that do not receive water bills;

10 (vi) Advise the Department on the components of an education,
11 outreach, and upgrade program established within the Department under subsection
12 (h)(2)(i)2 of this section;

13 (vii) Study the availability of money from the Fund for the
14 supplemental assistance program within the Department to provide grants to smaller,
15 economically disadvantaged communities in the State to upgrade their wastewater
16 collection and treatment facilities;

17 (viii) Advise the Secretary concerning the adoption of regulations
18 as described in subsection [(k)] (L) of this section; and

19 (ix) Beginning January 1, 2006, and every year thereafter,
20 report to the Governor and, subject to § 2-1246 of the State Government Article, the
21 General Assembly on its findings and recommendations.

22 (7) Members of the Committee:

23 (i) May not receive compensation; but

24 (ii) Are entitled to reimbursement for expenses under the
25 Standard State Travel Regulations, as provided in the State budget.

26 (8) The Department of the Environment, Department of Agriculture,
27 Department of Planning, Department of Natural Resources, and Department of
28 Budget and Management shall provide staff support for the Committee.

29 [(k)] (L) (1) Beginning January 1, 2009, and every year thereafter, the
30 Department and the Department of Planning shall jointly report on the impact that a
31 wastewater treatment facility that was upgraded to enhanced nutrient removal during
32 the calendar year before the previous calendar year with funds from the Bay
33 Restoration Fund had on growth within the municipality or county in which the
34 wastewater treatment facility is located.

1 (2) (i) In preparing the report required under paragraph (1) of this
2 subsection, the Department of the Environment and the Department of Planning
3 shall:

4 1. Include the number of permits issued for residential
5 and commercial development to be served by the upgraded wastewater treatment
6 facility; and

7 2. Determine what other appropriate information is to
8 be included in the report.

9 (ii) In determining the information that should be included in
10 the report under subparagraph (i) of this paragraph, the Department of the
11 Environment and the Department of Planning shall act:

12 1. In consultation with the Bay Restoration Fund
13 Advisory Committee; and

14 2. With the assistance of the municipality and county in
15 which an upgraded wastewater treatment facility is located.

16 (3) The Department and the Department of Planning shall submit the
17 report required under paragraph (1) of this subsection to the President of the Senate,
18 the Speaker of the House, the Senate Budget and Taxation Committee, the Senate
19 Education, Health, and Environmental Affairs Committee, the House Appropriations
20 Committee, the House Environmental Matters Committee, and the Governor, in
21 accordance with § 2-1246 of the State Government Article.

22 **[(1)] (M)** The Department shall adopt regulations that are necessary or
23 appropriate to carry out the provisions of this section.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 2010.