

## Chapter 379

### (House Bill 12)

AN ACT concerning

#### **Bay Restoration Fund – Authorized Uses – Local Entities**

FOR the purpose of authorizing certain fee revenue collected for the Bay Restoration Fund to be used by certain local entities to implement certain on-site sewage disposal system regulations; and generally relating to authorized uses of the Bay Restoration Fund.

BY repealing and reenacting, without amendments,  
Article – Environment  
Section 9–1605.2(h)(1)  
Annotated Code of Maryland  
(2007 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,  
Article – Environment  
Section 9–1605.2(h)(2)  
Annotated Code of Maryland  
(2007 Replacement Volume and 2013 Supplement)

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

#### **Article – Environment**

9–1605.2.

(h) (1) With regard to the funds collected under subsection (b)(1)(i)1, from users of an onsite sewage disposal system or holding tank that receive a water bill, (i)2, and (i)3 of this section, beginning in fiscal year 2006, the Comptroller shall:

(i) Establish a separate account within the Bay Restoration Fund; and

(ii) Disburse the funds as provided under paragraph (2) of this subsection.

(2) The Comptroller shall:

(i) Deposit 60% of the funds in the separate account to be used for:

1. Subject to paragraph (3) of this subsection, with priority first given to failing systems and holding tanks located in the Chesapeake and Atlantic Coastal Bays Critical Area and then to failing systems that the Department determines are a threat to public health or water quality, grants or loans for up to 100% of:

A. The costs attributable to upgrading an onsite sewage disposal system to the best available technology for the removal of nitrogen;

B. The cost difference between a conventional onsite sewage disposal system and a system that utilizes the best available technology for the removal of nitrogen;

C. The cost of repairing or replacing a failing onsite sewage disposal system with a system that uses the best available technology for nitrogen removal;

D. The cost, up to the sum of the costs authorized under item B of this item for each individual system, of replacing multiple onsite sewage disposal systems located in the same community with a new community sewerage system that is owned by a local government and that meets enhanced nutrient removal standards; or

E. The cost, up to the sum of the costs authorized under item C of this item for each individual system, of connecting a property using an onsite sewage disposal system to an existing municipal wastewater facility that is achieving enhanced nutrient removal level treatment; [and]

2. The reasonable costs of the Department, not to exceed 8% of the funds deposited into the separate account, to:

A. Implement an education, outreach, and upgrade program to advise owners of onsite sewage disposal systems and holding tanks on the proper maintenance of the systems and tanks and the availability of grants and loans under item 1 of this item;

B. Review and approve the design and construction of onsite sewage disposal system or holding tank upgrades;

C. Issue grants or loans as provided under item 1 of this item; and

D. Provide technical support for owners of upgraded onsite sewage disposal systems or holding tanks to operate and maintain the upgraded systems; and

**3. A PORTION OF THE REASONABLE COSTS OF A LOCAL PUBLIC ENTITY THAT HAS BEEN DELEGATED BY THE DEPARTMENT UNDER § 1-301(B) OF THIS ARTICLE TO ADMINISTER AND ENFORCE ENVIRONMENTAL LAWS, NOT TO EXCEED 10% OF THE FUNDS DEPOSITED INTO THE SEPARATE ACCOUNT, TO IMPLEMENT REGULATIONS ADOPTED BY THE DEPARTMENT FOR ON-SITE SEWAGE DISPOSAL SYSTEMS THAT UTILIZE THE BEST AVAILABLE TECHNOLOGY FOR THE REMOVAL OF NITROGEN; AND**

(ii) Transfer 40% of the funds to the Maryland Agriculture Water Quality Cost Share Program in the Department of Agriculture in order to fund cover crop activities.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2014.

**Approved by the Governor, May 5, 2014.**