

HOUSE BILL 1030

J1, M3

4lr1657

By: **Delegates Morhaim, Hubbard, Bobo, Cardin, Carr, Cullison, Frush, Holmes, Hucker, Ivey, A. Kelly, Lee, Luedtke, A. Miller, Mizeur, Murphy, Pena–Melnik, B. Robinson, S. Robinson, Stein, and Wilson**

Introduced and read first time: February 6, 2014

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Public Health – Hydraulic Fracturing Chemicals – Information and Fund**

3 FOR the purpose of requiring an applicant for a certain permit for the hydraulic
4 fracturing of a well for the exploration or production of natural gas to submit
5 certain information to the Department of Health and Mental Hygiene in a
6 certain manner; requiring the Department to provide access to certain
7 information to the Maryland Poison Control Center and certain health care
8 providers; authorizing a certain health care provider to provide certain
9 information in a certain manner; requiring a certain health care provider,
10 health professional, or government agency to maintain information and medical
11 records in a certain manner; requiring the Department to establish a certain
12 educational program for certain purposes; establishing the Hydraulic
13 Fracturing Chemical Education and Impact Fund as a special, nonlapsing fund;
14 specifying the purpose of the Fund; requiring the Department to administer the
15 Fund; requiring the State Treasurer to hold the Fund and the Comptroller to
16 account for the Fund; specifying the contents of the Fund; specifying the
17 purpose for which the Fund may be used; providing for the investment of money
18 in and expenditures from the Fund; requiring the Department to establish a
19 certain fee by regulation; establishing a certain civil penalty for certain
20 violations; requiring the Department to adopt certain regulations; defining
21 certain terms; and generally relating to chemicals used in hydraulic fracturing.

22 BY adding to

23 Article – Health – General

24 Section 22–701 through 22–707 to be under the new subtitle “Subtitle 7.
25 Hydraulic Fracturing Chemicals”

26 Annotated Code of Maryland

27 (2009 Replacement Volume and 2013 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, without amendments,
2 Article – State Finance and Procurement
3 Section 6–226(a)(2)(i)
4 Annotated Code of Maryland
5 (2009 Replacement Volume and 2013 Supplement)

6 BY repealing and reenacting, with amendments,
7 Article – State Finance and Procurement
8 Section 6–226(a)(2)(ii)76. and 77.
9 Annotated Code of Maryland
10 (2009 Replacement Volume and 2013 Supplement)

11 BY adding to
12 Article – State Finance and Procurement
13 Section 6–226(a)(2)(ii)78.
14 Annotated Code of Maryland
15 (2009 Replacement Volume and 2013 Supplement)

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

18 **Article – Health – General**

19 **SUBTITLE 7. HYDRAULIC FRACTURING CHEMICALS.**

20 **22–701.**

21 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
22 **INDICATED.**

23 **(B) “FUND” MEANS THE HYDRAULIC FRACTURING CHEMICAL**
24 **EDUCATION AND IMPACT FUND ESTABLISHED UNDER § 22–704 OF THIS**
25 **SUBTITLE.**

26 **(C) “HYDRAULIC FRACTURING” MEANS A DRILLING TECHNIQUE THAT**
27 **EXPANDS EXISTING FRACTURES OR CREATES NEW FRACTURES IN ROCK BY**
28 **INJECTING FLUIDS OF A MIXTURE OF WATER, CHEMICALS, SAND, OR OTHER**
29 **SUBSTANCES, OFTEN UNDER PRESSURE, INTO OR UNDERNEATH THE SURFACE**
30 **OF ROCK FOR PURPOSES THAT INCLUDE WELL DRILLING AND THE**
31 **EXPLORATION OR PRODUCTION OF NATURAL GAS.**

32 **22–702.**

33 **(A) (1) AN APPLICANT FOR A PERMIT UNDER TITLE 14, SUBTITLE 1,**
34 **OF THE ENVIRONMENT ARTICLE FOR THE HYDRAULIC FRACTURING OF A WELL**

1 SHALL SUBMIT TO THE DEPARTMENT IN A MANNER DETERMINED BY THE
2 DEPARTMENT:

3 (I) INFORMATION RELATING TO EACH CHEMICAL
4 CONSTITUENT THAT WILL BE USED IN THE HYDRAULIC FRACTURING OF THE
5 WELL, INCLUDING:

6 1. THE NAME OF THE CHEMICAL CONSTITUENT;

7 2. A. THE CHEMICAL ABSTRACT SERVICE
8 NUMBER FOR THE CHEMICAL CONSTITUENT; OR

9 B. IF A CHEMICAL ABSTRACT SERVICE NUMBER
10 DOES NOT EXIST, A UNIQUE IDENTIFIER FOR THE CHEMICAL CONSTITUENT, IF
11 AVAILABLE; AND

12 3. THE MAXIMUM CONCENTRATION, IN PERCENT BY
13 MASS, OF THE CHEMICAL CONSTITUENT;

14 (II) 1. THE LOCATION OF THE PORTION OF THE WELL IN
15 WHICH THE HYDRAULIC FRACTURING WILL TAKE PLACE; AND

16 2. THE ANTICIPATED EXTENT OF THE FRACTURES
17 OR OTHER MODIFICATIONS TO THE SHALE OR UNDERGROUND GEOLOGIC
18 FORMATION;

19 (III) HEALTH AND SAFETY DATA RELATING TO THE
20 CHEMICALS THAT WILL BE USED IN THE HYDRAULIC FRACTURING OF THE WELL,
21 INCLUDING TOXICOLOGICAL, EPIDEMIOLOGICAL, AND EXPOSURE-RELATED
22 INFORMATION; AND

23 (IV) INFORMATION ON CHEMICAL CHANGES THAT MAY
24 OCCUR AS A RESULT OF THE HYDRAULIC FRACTURING OF THE WELL,
25 INCLUDING INFORMATION ON CHEMICAL REACTIONS TO OTHER CHEMICALS OR
26 SUBSTANCES.

27 (2) A PERSON MAY NOT KNOWINGLY OR RECKLESSLY SUBMIT
28 FALSE INFORMATION UNDER THIS SUBSECTION.

29 (B) THE DEPARTMENT SHALL PROVIDE ACCESS TO THE INFORMATION
30 COLLECTED UNDER SUBSECTION (A) OF THIS SECTION:

31 (1) TO THE MARYLAND POISON CENTER;

1 **(2) ON REQUEST, TO A HEALTH CARE PROVIDER THAT SUSPECTS**
2 **A PATIENT MAY HAVE A DISEASE, AN ILLNESS, OR AN INJURY CAUSED BY A**
3 **CHEMICAL USED IN HYDRAULIC FRACTURING; AND**

4 **(3) A PUBLIC HEALTH PROFESSIONAL, TOXICOLOGIST, OR**
5 **EPIDEMIOLOGIST THAT:**

6 **(I) IS EMPLOYED IN THE FIELD OF PUBLIC HEALTH; AND**

7 **(II) SUBMITS A WRITTEN STATEMENT OF NEED FOR THE**
8 **INFORMATION TO THE DEPARTMENT.**

9 **(C) A HEALTH CARE PROVIDER MAY PROVIDE THE INFORMATION**
10 **RECEIVED UNDER SUBSECTION (B) OF THIS SECTION AS PROFESSIONALLY**
11 **NECESSARY, INCLUDING TO:**

12 **(1) THE PATIENT;**

13 **(2) ANY OTHER HEALTH PROFESSIONAL INVOLVED IN THE**
14 **TREATMENT OF THE PATIENT, INCLUDING A TOXICOLOGIST OR PUBLIC HEALTH**
15 **EPIDEMIOLOGIST;**

16 **(3) A FAMILY MEMBER OF THE PATIENT IF THE PATIENT IS**
17 **UNABLE TO MAKE MEDICAL DECISIONS OR IS A MINOR; AND**

18 **(4) THE CENTERS FOR DISEASE CONTROL OR OTHER**
19 **GOVERNMENT PUBLIC HEALTH AGENCY.**

20 **(D) A HEALTH CARE PROVIDER, HEALTH PROFESSIONAL, OR**
21 **GOVERNMENT AGENCY SHALL MAINTAIN INFORMATION RECEIVED UNDER**
22 **SUBSECTION (C) OF THIS SECTION AND PATIENT MEDICAL RECORDS IN**
23 **ACCORDANCE WITH ANY LAW OR REGULATION RELATING TO CONFIDENTIALITY.**

24 **22-703.**

25 **THE DEPARTMENT SHALL ESTABLISH AN EDUCATIONAL PROGRAM FOR**
26 **HEALTH CARE PROVIDERS ON THE POTENTIAL HEALTH RISKS ASSOCIATED**
27 **WITH CHEMICALS USED IN HYDRAULIC FRACTURING.**

28 **22-704.**

1 **(A) THERE IS A HYDRAULIC FRACTURING CHEMICAL EDUCATION AND**
2 **IMPACT FUND.**

3 **(B) THE PURPOSE OF THE FUND IS TO ADDRESS THE POTENTIAL**
4 **HEALTH RISKS ASSOCIATED WITH CHEMICALS USED IN HYDRAULIC**
5 **FRACTURING.**

6 **(C) THE DEPARTMENT SHALL ADMINISTER THE FUND.**

7 **(D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
8 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

9 **(2) THE STATE TREASURER SHALL HOLD THE FUND**
10 **SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

11 **(E) THE FUND CONSISTS OF:**

12 **(1) REVENUE DISTRIBUTED TO THE FUND UNDER § 22-705 OF**
13 **THIS SUBTITLE;**

14 **(2) PENALTIES COLLECTED UNDER § 22-706 OF THIS SUBTITLE;**

15 **(3) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

16 **(4) ANY INVESTMENT EARNINGS OF THE FUND; AND**

17 **(5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED**
18 **FOR THE BENEFIT OF THE FUND.**

19 **(F) THE FUND MAY BE USED ONLY FOR:**

20 **(1) FINANCING AN EDUCATIONAL PROGRAM REQUIRED UNDER §**
21 **22-703 OF THIS SUBTITLE;**

22 **(2) PROVIDING FINANCIAL ASSISTANCE TO A PERSON THAT HAS**
23 **AN ILLNESS OR INJURY CAUSED BY A CHEMICAL USED IN HYDRAULIC**
24 **FRACTURING; AND**

25 **(3) THE REASONABLE COSTS OF ADMINISTERING THE FUND.**

26 **(G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE**
27 **FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

1 **(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID**
2 **INTO THE FUND.**

3 **22-705.**

4 **THE DEPARTMENT SHALL:**

5 **(1) ESTABLISH A FEE BY REGULATION FOR THE SUBMITTAL OF**
6 **INFORMATION UNDER § 22-702(A) OF THIS SUBTITLE; AND**

7 **(2) BASE THE FEE ON:**

8 **(I) THE COST TO THE DEPARTMENT FOR ESTABLISHING AN**
9 **EDUCATIONAL PROGRAM REQUIRED UNDER § 22-703 OF THIS SUBTITLE;**

10 **(II) THE POTENTIAL RISK OF INJURY OR ILLNESS FROM**
11 **CHEMICALS USED IN HYDRAULIC FRACTURING TO PUBLIC HEALTH AND SAFETY;**
12 **AND**

13 **(III) THE ADMINISTRATIVE COSTS ASSOCIATED WITH**
14 **IMPLEMENTING THE REQUIREMENTS OF THIS SUBTITLE.**

15 **22-706.**

16 **(A) A PERSON THAT VIOLATES § 22-702(A) OF THIS SUBTITLE IS**
17 **SUBJECT TO A CIVIL PENALTY NOT EXCEEDING \$10,000 FOR EACH VIOLATION.**

18 **(B) A CIVIL PENALTY COLLECTED UNDER THIS SECTION SHALL BE**
19 **DEPOSITED INTO THE FUND.**

20 **22-707.**

21 **THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE**
22 **PROVISIONS OF THIS SUBTITLE.**

23 **Article – State Finance and Procurement**

24 **6-226.**

25 (a) (2) (i) Notwithstanding any other provision of law, and unless
26 inconsistent with a federal law, grant agreement, or other federal requirement or with
27 the terms of a gift or settlement agreement, net interest on all State money allocated
28 by the State Treasurer under this section to special funds or accounts, and otherwise

1 entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue
2 to the General Fund of the State.

3 (ii) The provisions of subparagraph (i) of this paragraph do not
4 apply to the following funds:

5 76. the Baltimore City Public School Construction
6 Financing Fund; [and]

7 77. the Spay/Neuter Fund; AND

8 78. THE HYDRAULIC FRACTURING CHEMICAL
9 EDUCATION AND IMPACT FUND.

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