SB0266/703927/1

BY: Senator Middleton

AMENDMENTS TO SENATE BILL 266

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 3, strike "- Prohibition"; strike beginning with "prohibiting" in line 4 down through "technology;" in line 8 and substitute "requiring the Department of the Environment to use certain money from the Bay Restoration Fund to assist a person in paying the cost difference between a conventional on-site sewage disposal system and a system utilizing nitrogen removal technology in a certain order of priority;"; in line 9, after "law;" insert "requiring the Bay Cabinet, in consultation with the Chesapeake Bay Commission and other interested parties, to review and make certain recommendations regarding certain matters; requiring the Bay Cabinet to report its findings and recommendations to the Governor and the General Assembly on or before a certain date;"; and in line 13, after "9-1108" insert "and 9-1605.2(h)(2)(i)1.".

AMENDMENT NO. 2

On page 2, in line 5, in each instance, strike the brackets; in the same line, strike "BAY WATERSHED, THE"; in line 6, strike "WATERSHED, OR THE WATERSHED OF A NITROGEN-IMPAIRED BODY OF WATER"; in line 13, strike the brackets; in the same line, after "subsection" insert "AND"; in the same line, strike "IN"; after line 17, insert:

- "(2) THE DEPARTMENT SHALL PROVIDE THE ASSISTANCE REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION IN THE FOLLOWING ORDER OF PRIORITY:
- (I) FIRST, FOR FAILING SYSTEMS IN THE CHESAPEAKE AND ATLANTIC COASTAL BAYS CRITICAL AREA;
- (II) SECOND, FOR FAILING SYSTEMS OUTSIDE THE CHESAPEAKE AND ATLANTIC COASTAL BAYS CRITICAL AREA;

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(III) THIRD, FOR EXISTING SYSTEMS THAT:

- 1. DO NOT COMPLY WITH STATE OR LOCAL LAWS, REGULATIONS, OR POLICIES; AND
- <u>2. Are in the Chesapeake and Atlantic</u> Coastal Bays Critical Area;
- (IV) FOURTH, FOR NEW SYSTEMS IN THE CHESAPEAKE AND ATLANTIC COASTAL BAYS CRITICAL AREA;
 - (V) FIFTH, FOR EXISTING SYSTEMS THAT:
- 1. DO NOT COMPLY WITH STATE OR LOCAL LAWS, REGULATIONS, OR POLICIES; AND
- 2. ARE OUTSIDE THE CHESAPEAKE AND ATLANTIC COASTAL BAYS CRITICAL AREA; AND
- (VI) SIXTH, FOR NEW SYSTEMS OUTSIDE THE CHESAPEAKE AND ATLANTIC COASTAL BAYS CRITICAL AREA.";

after line 33, insert:

"9-1605.2.

(h) (2) The Comptroller shall:

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- (i) Deposit 60% of the funds in the separate account to be used for:
- 1. [Subject] EXCEPT AS PROVIDED IN § 9-1108 OF THIS TITLE AND SUBJECT to paragraphs (3), (4), (5), and (6) 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 on—site sewage disposal system to the best available technology for the removal of nitrogen;
- B. The cost difference between a conventional on–site sewage disposal system and a system that utilizes the best available technology for the removal of nitrogen;
- <u>C.</u> The cost of repairing or replacing a failing on—site 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 on—site 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 on—site sewage disposal system to an existing municipal wastewater facility that is achieving enhanced nutrient removal or biological nutrient removal level treatment, including

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payment of the principal, but not interest, of debt issued by a local government for such connection costs;

SECTION 2. AND BE IT FURTHER ENACTED, That:

- (a) The Bay Cabinet, in consultation with the Chesapeake Bay Commission and other interested parties, shall:
- (1) review and recommend alternative nitrogen reductions that account for any nitrogen reductions lost due to regulatory changes made to COMAR 26.04.02.07 as adopted on November 1, 2016;
- (2) <u>determine the most cost-effective methods for reducing nitrogen to</u> the Chesapeake and Atlantic Coastal Bays Critical Area and other nitrogen-impaired bodies of water in the State; and
- (3) recommend a new prioritization for the use of Bay Restoration Funds that is based on the most cost-effective methods for reducing nitrogen as determined under item (2) of this subsection.
- (b) On or before December 31, 2017, the Cabinet shall report its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, the General Assembly.";

and in line 34, strike "2." and substitute "3.".