

# HOUSE BILL 408

M1, M3, Q7  
HB 947/18 – ENV

9lr2456  
CF 9lr2460

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By: **Delegate Beitzel**

Introduced and read first time: January 30, 2019

Assigned to: Environment and Transportation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Natural Resources – Chesapeake and Atlantic Coastal Bays Trust Fund**

3 FOR the purpose of renaming the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund  
4 to be the Chesapeake Bay and State Waters Trust Fund; modifying the purpose of  
5 the Fund to include the restoration and protection of the health of the waters of the  
6 State; expanding the use of the Fund to include certain projects to improve and  
7 protect the health of the waters of the State; requiring the publisher of the Annotated  
8 Code of Maryland, in consultation with and subject to the approval of the  
9 Department of Legislative Services, to correct any cross–references or terminology  
10 rendered incorrect by this Act; making conforming changes; and generally relating  
11 to the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund.

12 BY repealing and reenacting, with amendments,  
13 Article – Environment  
14 Section 9–1617.1(a)(2)  
15 Annotated Code of Maryland  
16 (2014 Replacement Volume and 2018 Supplement)

17 BY repealing and reenacting, without amendments,  
18 Article – Natural Resources  
19 Section 5–307(a)  
20 Annotated Code of Maryland  
21 (2018 Replacement Volume)

22 BY repealing and reenacting, with amendments,  
23 Article – Natural Resources  
24 Section 5–307(f)(3)  
25 Annotated Code of Maryland  
26 (2018 Replacement Volume)

27 BY repealing and reenacting, without amendments,

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – Natural Resources  
 2 Section 8–2A–01(a)  
 3 Annotated Code of Maryland  
 4 (2012 Replacement Volume and 2018 Supplement)

5 BY repealing and reenacting, with amendments,  
 6 Article – Natural Resources  
 7 Section 8–2A–01(d) and 8–2A–02(a), (b), (f), and (h) to be under the amended subtitle  
 8 “Subtitle 2A. Chesapeake Bay and State Waters Trust Fund”  
 9 Annotated Code of Maryland  
 10 (2012 Replacement Volume and 2018 Supplement)

11 BY repealing and reenacting, with amendments,  
 12 Article – Tax – General  
 13 Section 2–1104(a)(1) and (b)(3) and 2–1302.1(a)(2) and (b)(2)  
 14 Annotated Code of Maryland  
 15 (2016 Replacement Volume and 2018 Supplement)

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

18 **Article – Environment**

19 9–1617.1.

20 (a) (2) All accounting systems and records, auditing procedures and  
 21 standards, and financial reporting for the Water Quality Fund, the Drinking Water Loan  
 22 Fund, the Bay Restoration Fund, and the Chesapeake and Atlantic Coastal Bays Nonpoint  
 23 Source Fund shall conform to the requirements of Title VI of the Federal Water Pollution  
 24 Control Act, the federal Safe Drinking Water Act, the Bay Restoration Fund Act, and the  
 25 Chesapeake [and Atlantic Coastal Bays 2010] **BAY AND STATE WATERS** Trust Fund  
 26 under Title 8, Subtitle 2A of the Natural Resources Article, as applicable, and generally  
 27 accepted principles of governmental accounting.

28 **Article – Natural Resources**

29 5–307.

30 (a) In this section, “Fund” means the Mel Noland Woodland Incentives Fund.

31 (f) The Fund consists of:

32 (3) Money distributed from the Chesapeake [and Atlantic Coastal Bays  
 33 2010] **BAY AND STATE WATERS** Trust Fund under § 8–2A–04 of this article; and

34 Subtitle 2A. Chesapeake [and Atlantic Coastal Bays 2010] **BAY AND STATE WATERS**  
 35 Trust Fund.

1 8-2A-01.

2 (a) In this subtitle the following words have the meanings indicated.

3 (d) "Trust Fund" means the Chesapeake [and Atlantic Coastal Bays 2010] **BAY**  
4 **AND STATE WATERS** Trust Fund.

5 8-2A-02.

6 (a) There is a Chesapeake [and Atlantic Coastal Bays 2010] **BAY AND STATE**  
7 **WATERS** Trust Fund.

8 (b) The purpose of the Fund is to provide financial assistance necessary to  
9 advance Maryland's progress in meeting the goals established in the 2014 Chesapeake Bay  
10 Watershed Agreement for the restoration of the Chesapeake Bay and its tributaries,  
11 including the Patuxent River, and to restore **AND PROTECT** the health of the [Atlantic  
12 Coastal Bays and their tributaries] **WATERS OF THE STATE**, by focusing limited financial  
13 resources on nonpoint source pollution control projects in all regions of the State.

14 (f) (1) The Fund may be used only for the implementation of nonpoint source  
15 pollution control projects to:

16 (i) Support State and local watershed implementation plans by  
17 targeting limited financial resources on the most effective nonpoint source pollution control  
18 projects; and

19 (ii) Improve **AND PROTECT** the health of the [Atlantic Coastal Bays  
20 and their tributaries] **WATERS OF THE STATE**.

21 (2) It is the intent of the General Assembly that, when possible, moneys in  
22 the Fund shall be granted to local governments and other political subdivisions for  
23 agricultural, forestry, stream and wetland restoration, and urban and suburban  
24 stormwater nonpoint source pollution control projects, including up to 25% in matching  
25 funds to local governments and other political subdivisions that have enacted a stormwater  
26 remediation fee under § 4-202.1 of the Environment Article.

27 (h) Money expended from the Fund for the restoration of the Chesapeake [and  
28 Atlantic Coastal Bays] **BAY** and [their] **ITS** tributaries, including the Patuxent River, **AND**  
29 **THE RESTORATION AND PROTECTION OF THE WATERS OF THE STATE** is supplemental  
30 to and is not intended to take the place of funding that otherwise would be appropriated for  
31 [bay] restoration.

32 **Article – Tax – General**

33 2-1104.

1 (a) Except as otherwise provided in this section, after making the distributions  
2 required under §§ 2–1101 through 2–1103 of this subtitle, from the remaining motor fuel  
3 tax revenue, the Comptroller shall distribute:

4 (1) 2.3% to the Chesapeake [and Atlantic Coastal Bays 2010] **BAY AND**  
5 **STATE WATERS** Trust Fund;

6 (b) For each fiscal year beginning on or before July 1, 2015, instead of the  
7 distribution required under subsection (a)(1) of this section, the Comptroller shall  
8 distribute 2.3% of the remaining motor fuel tax revenue as follows:

9 (3) the balance to the Chesapeake [and Atlantic Coastal Bays 2010] **BAY**  
10 **AND STATE WATERS** Trust Fund.

11 2–1302.1.

12 (a) Except as otherwise provided in this section, after making the distributions  
13 required under §§ 2–1301 and 2–1302 of this subtitle, of the sales and use tax collected on  
14 short-term vehicle rentals under § 11–104(c) of this article the Comptroller shall distribute:

15 (2) the remainder to the Chesapeake [and Atlantic Coastal Bays 2010]  
16 **BAY AND STATE WATERS** Trust Fund.

17 (b) For each fiscal year beginning on or before July 1, 2015, after the distribution  
18 required under subsection (a)(1) of this section, the Comptroller shall distribute the  
19 remainder of the sales and use tax collected on short-term vehicle rentals under § 11–104(c)  
20 of this article as follows:

21 (2) the remainder to the Chesapeake [and Atlantic Coastal Bays 2010]  
22 **BAY AND STATE WATERS** Trust Fund.

23 SECTION 2. AND BE IT FURTHER ENACTED, That the publisher of the  
24 Annotated Code of Maryland, in consultation with and subject to the approval of the  
25 Department of Legislative Services, shall correct, with no further action required by the  
26 General Assembly, cross-references and terminology rendered incorrect by this Act. The  
27 publisher shall adequately describe any correction that is made in an editor’s note following  
28 the section affected.

29 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
30 October 1, 2019.