Chapter 442

(Senate Bill 265)

AN ACT concerning

Environment – Reservoir Augmentation Permit – Establishment

FOR the purpose of establishing the Reservoir Augmentation Program in the Department of the Environment; requiring a person to obtain a permit from the Department to perform reservoir augmentation; providing for the issuance, modification, renewal, denial, or revocation of a reservoir augmentation permit under the Program; requiring certain revenues to be used for the operation and oversight of the Program; and generally relating to the establishment of the Reservoir Augmentation Program.

BY repealing and reenacting, with amendments, Article – Environment Section 1–601(a) Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,

Article – Environment Section 9–301<u>, 9–303.2(o)</u>, and 9–320(b) Annotated Code of Maryland (2014 Replacement Volume and 2024 Supplement)

<u>BY repealing and reenacting, without amendments,</u> <u>Article – Environment</u> <u>Section 9–303.2(b) and 9–320(a)</u> <u>Annotated Code of Maryland</u> (2014 Replacement Volume and 2024 Supplement)

BY adding to

Article – Environment Section 9–303.4 Annotated Code of Maryland (2014 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,

Article – Environment Section 9–320(a) Annotated Code of Maryland (2014 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,

Chapter 122 of the Acts of the General Assembly of 2023

Section 3

BY repealing and reenacting, with amendments,

Chapter 123 of the Acts of the General Assembly of 2023 Section 3

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

Article – Environment

1 - 601.

(a) Permits issued by the Department under the following sections shall be issued in accordance with this subtitle:

(1) Air quality control permits to construct subject to § 2–404 of this article;

(2) Permits to install, materially alter, or materially extend landfill systems, incinerators for public use, or rubble landfills subject to § 9–209 of this article;

(3) Permits to discharge pollutants to waters of the State issued pursuant to § 9–323 of this article;

(4) Permits to install, materially alter, or materially extend a structure used for storage or distribution of any type of sewage sludge issued, renewed, or amended pursuant to 9–234.1 or 9–238 of this article;

(5) Permits to own, operate, establish, or maintain a controlled hazardous substance facility issued pursuant to § 7–232 of this article;

(6) Permits to own, operate, or maintain a hazardous material facility issued pursuant to 7–103 of this article;

(7) Permits to own, operate, establish, or maintain a low-level nuclear waste facility issued pursuant to 7–233 of this article; [and]

(8) Potable reuse permits issued in accordance with § 9-303.2 of this article; AND

(9) PERMITS FOR RESERVOIR AUGMENTATION ISSUED IN ACCORDANCE WITH § 9–303.4 OF THIS ARTICLE.

9-301.

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

(b) "Board" means the Water Science Advisory Board.

(c) "CAFO" means a concentrated animal feeding operation, as defined in Department regulations.

(d) "Discharge permit" means a permit issued by the Department for the discharge of any pollutant or combination of pollutants into the waters of this State.

(E) "DRINKING WATER TREATMENT FACILITY" MEANS A FACILITY THAT IS USED TO TREAT WATER IN A PUBLIC WATER SYSTEM.

[(e)] (F) "Person" includes the federal government, this State, any county, municipal corporation, or other political subdivision of this State, or any of their units.

(G) "Public water system" has the meaning stated in § 9–401 of this title.

[(f)] (H) "Reclaimed water" means sewage that:

- (1) Has been treated to a high quality suitable for various reuses; and
- (2) Has a concentration of less than:
 - (i) 3 fecal coliform colonies per 100 milliliters;
 - (ii) 10 milligrams per liter of 5-day biological oxygen demand; and
 - (iii) 10 milligrams per liter of total suspended solids.

(I) "RESERVOIR AUGMENTATION" MEANS THE PLANNED PLACEMENT OF RECLAIMED WATER INTO A SURFACE WATER RESERVOIR USED AS A SOURCE FOR A DRINKING WATER TREATMENT FACILITY.

(J) "RESERVOIR AUGMENTATION PERMIT" MEANS A PERMIT ISSUED BY THE DEPARTMENT FOR RESERVOIR AUGMENTATION.

[(g)] (K) "Sewage" means any human or animal excretion, domestic waste, or industrial waste.

- [(h)] (L) (1) "Sewerage system" means:
 - (i) The channels used or intended to be used to collect and dispose

of sewage; and

(ii) Any structure and appurtenance used or intended to be used to collect or prepare sewage for discharge into the waters of this State.

(2) "Sewerage system" includes any sewer of any size.

(3) "Sewerage system" does not include the plumbing system inside any building served by the sewerage system.

<u>9–303.2.</u>

(b) There is an Indirect Potable Reuse Pilot Program in the Department.

(o) (1) On or before December 31, 2024, the Department shall report to the Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly on:

[(1)] (I) The status of the Pilot Program;

[(2)] (II) Whether the Pilot Program should be extended or made permanent; and

[(3)] (III) Any statutory or regulatory changes that the Department recommends to permanently authorize the regulated use of reclaimed water as a source for drinking water treatment facilities, if appropriate.

(2) ON OR BEFORE DECEMBER 31, 2029, THE DEPARTMENT SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE IMPLEMENTATION OF THE PILOT PROGRAM.

9-303.4.

(A) THERE IS A RESERVOIR AUGMENTATION PROGRAM IN THE DEPARTMENT.

(B) EXCEPT AS PROVIDED IN THIS SECTION, A PERSON MAY NOT PERFORM RESERVOIR AUGMENTATION.

(C) SUBJECT TO THE PROVISIONS OF THIS SECTION, THE DEPARTMENT MAY ISSUE, MODIFY, OR RENEW A RESERVOIR AUGMENTATION PERMIT IF THE DEPARTMENT FINDS THAT:

(1) THE TREATMENT PROCESS WILL MEET OR SURPASS STANDARDS ESTABLISHED BY THE DEPARTMENT BEFORE WATER ENTERS THE RESERVOIR; (2) THE TREATMENT PROCESS WILL MEET OR SURPASS STANDARDS ESTABLISHED BY THE DEPARTMENT BEFORE WATER ENTERS THE DISTRIBUTION SYSTEM; AND

(3) THE APPLICANT AGREES TO PROVIDE THE DEPARTMENT THE RIGHT OF ENTRY ON THE PERMIT SITE AT ANY REASONABLE TIME TO INSPECT OR INVESTIGATE FOR A VIOLATION OR POTENTIAL VIOLATION OF THE RESERVOIR AUGMENTATION PERMIT.

(D) THE DEPARTMENT MAY INCLUDE IN A RESERVOIR AUGMENTATION PERMIT ANY TERM, CONDITION, OR REQUIREMENT THAT THE DEPARTMENT DEEMS APPROPRIATE TO PROTECT PUBLIC HEALTH OR THE ENVIRONMENT.

(E) THE PROVISIONS OF TITLE 1, SUBTITLE 6 OF THIS ARTICLE SHALL GOVERN THE ISSUANCE OF **POTABLE REUSE** <u>RESERVOIR AUGMENTATION</u> PERMITS.

(F) (1) A PERSON SHALL OBTAIN, ON WRITTEN APPLICATION TO THE DEPARTMENT, A PERMIT FROM THE DEPARTMENT TO PERFORM RESERVOIR AUGMENTATION.

(2) AN APPLICATION FOR A RESERVOIR AUGMENTATION PERMIT SHALL INCLUDE:

(I) \cancel{A} EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, A FEASIBILITY STUDY SHOWING THE PURPOSE AND THE NEED FOR THE RESERVOIR AUGMENTATION PROJECT, INCLUDING:

1. A DESCRIPTION AND TECHNICAL ANALYSIS OF THE RESERVOIR AUGMENTATION PROJECT AND ALTERNATIVE OPTIONS; AND

2. THE COSTS ASSOCIATED WITH THE RESERVOIR AUGMENTATION PROJECT AND ALTERNATIVE OPTIONS; AND

(II) ANY ADDITIONAL INFORMATION REQUESTED BY THE DEPARTMENT.

(3) <u>A FEASIBILITY STUDY IS NOT REQUIRED FOR A RESERVOIR</u> <u>AUGMENTATION PROJECT THAT WAS PREVIOUSLY APPROVED BY THE DEPARTMENT</u> <u>UNDER THE INDIRECT POTABLE REUSE PILOT PROGRAM.</u>

(G) THE DEPARTMENT MAY REFUSE TO ISSUE A RESERVOIR AUGMENTATION PERMIT IF:

(1) THE APPLICANT FAILS TO PROVIDE ANY INFORMATION REQUESTED BY THE DEPARTMENT;

(2) THE APPLICANT FAILS OR REFUSES TO ALLOW THE DEPARTMENT TO INSPECT THE PERMIT SITE;

(3) THE SOURCE OF THE RECLAIMED WATER FAILS TO COMPLY WITH ANY STATE OR FEDERAL LAW, REGULATION, OR PERMIT;

(4) THE DEPARTMENT FINDS THAT THE ISSUANCE OF THE RESERVOIR AUGMENTATION PERMIT WOULD VIOLATE ANY STATE OR FEDERAL LAW OR ANY REGULATION ADOPTED UNDER STATE OR FEDERAL LAW; OR

(5) THE APPLICANT FAILS OR REFUSES TO PAY THE APPLICATION FEE ESTABLISHED UNDER SUBSECTION (J) OF THIS SECTION.

(H) THE DEPARTMENT MAY NOT ISSUE A RESERVOIR AUGMENTATION PERMIT FOR A TERM LONGER THAN 5 YEARS.

(I) THE DEPARTMENT MAY REVOKE A RESERVOIR AUGMENTATION PERMIT IF THE DEPARTMENT FINDS THAT:

(1) THE APPLICATION INCLUDED FALSE OR INACCURATE INFORMATION;

(2) CONDITIONS OR REQUIREMENTS OF THE RESERVOIR AUGMENTATION PERMIT HAVE BEEN OR ARE ABOUT TO BE VIOLATED;

(3) SUBSTANTIAL DEVIATION FROM PLANS, SPECIFICATIONS, OR REQUIREMENTS HAS OCCURRED OR IS ABOUT TO OCCUR;

(4) THE DEPARTMENT IS REFUSED ENTRY TO ANY PREMISES FOR THE PURPOSE OF EVALUATING COMPLIANCE WITH THE RESERVOIR AUGMENTATION PERMIT;

(5) A CHANGE IN CONDITIONS EXISTS THAT REQUIRES THE TEMPORARY OR PERMANENT REDUCTION OR ELIMINATION OF THE USE OF RECLAIMED WATER;

(6) THERE IS NONCOMPLIANCE WITH A DISCHARGE PERMIT OR PRETREATMENT REGULATION ADOPTED BY THE DEPARTMENT THAT MAY AFFECT THE RECLAIMED WATER;

- 6 -

(7) ANY REQUIREMENT ESTABLISHED UNDER THE FEDERAL SAFE DRINKING WATER ACT, SUBTITLE 4 OF THIS TITLE, OR TITLE 12 OF THIS ARTICLE HAS BEEN OR IS THREATENED TO BE VIOLATED; OR

(8) THE RECLAIMED WATER MAY THREATEN PUBLIC HEALTH, SAFETY, COMFORT, OR THE ENVIRONMENT.

(J) (1) THE DEPARTMENT SHALL ADOPT REGULATIONS THAT ESTABLISH:

(I) THE STANDARDS FOR RESERVOIR AUGMENTATION; AND

(II) THE APPLICATION, ISSUANCE, REVOCATION, AND MODIFICATION OF A RESERVOIR AUGMENTATION PERMIT.

(2) THE REGULATIONS ADOPTED UNDER THIS SECTION SHALL SET A REASONABLE APPLICATION FEE IN AN AMOUNT DESIGNATED <u>DESIGNED</u> TO COVER THE COST OF ISSUING AND ADMINISTERING A RESERVOIR AUGMENTATION PERMIT UNDER THE PROGRAM.

(K) ALL REVENUES COLLECTED BY THE DEPARTMENT UNDER THIS SECTION, INCLUDING APPLICATION FEES, PERMIT FEES, RENEWAL FEES, OR ANY ADMINISTRATIVE PENALTY, CIVIL PENALTY, OR ANY FINE IMPOSED BY A COURT FOR VIOLATIONS OF THIS SECTION, SHALL BE DISTRIBUTED TO A SPECIAL FUND, TO BE USED ONLY FOR THE OPERATION AND OVERSIGHT OF THE RESERVOIR AUGMENTATION PROGRAM.

(L) ON OR BEFORE DECEMBER 31, 2035, AND EVERY 5 YEARS THEREAFTER, THE DEPARTMENT SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE IMPLEMENTATION OF THE RESERVOIR AUGMENTATION PROGRAM.

9-320.

(a) There is a Maryland Clean Water Fund.

(b) [The] EXCEPT AS PROVIDED IN § 9–303.4 OF THIS SUBTITLE, THE following payments shall be made into the Maryland Clean Water Fund:

(1) All application fees, permit fees, renewal fees, and funds collected by the Department under this subtitle, including any civil or administrative penalty or any fine imposed by a court under the provisions of this subtitle;

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(2) Any civil penalty or any fine imposed by a court under the provisions of Title 5, Subtitle 5 of this article relating to water appropriation and use;

(3) Any civil or administrative penalty or any fine imposed by a court under the provisions of Title 4, Subtitle 1 of this article;

(4) Any fees or funds that the Department collects under Subtitle 2, Part III of this title and §§ 9–269 and 9–270 of this title and any civil or administrative penalty or fine imposed by a court under the provisions of Subtitle 2 of this title; and

(5) Any fees or funds that the Department collects under Subtitle 24 of this title and any civil or administrative penalty or fine imposed by a court under the provisions of Subtitle 24 of this title.

Chapter 122 of the Acts of 2023

SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted. [Section 1 of this Act] IT shall remain effective through June 30, [2028] 2030, and, at the end of June 30, [2028] 2030, [Section 1 of] this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Chapter 123 of the Acts of 2023

SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted. [Section 1 of this Act] IT shall remain effective through June 30, [2028] 2030, and, at the end of June 30, [2028] 2030, [Section 1 of] this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2025.

Approved by the Governor, May 13, 2025.