



Mid-Atlantic Petroleum Distributors Association
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TO: House Environment & Transportation and Health & Government Operations Committees

FROM: Mid-Atlantic Petroleum Distributors Association

DATE: February 26, 2025

RE: **HOUSE BILL 757** – Professional and Volunteer Firefighter Innovative Cancer Screening Technologies Program – Funding

On behalf of Maryland's energy marketers, MAPDA opposes HB757 as introduced.

As introduced, HB757 would increase the fee paid on a barrel of oil transferred in Maryland from 5 cents to 9 cents. The purpose of that fee is to fund the Maryland Oil Disaster Containment, Clean-Up and Contingency Fund (the Fund) within the Department of the Environment's Oil Control Program. It would take the 4-cent increase from the Fund and redirect it to the Professional and Volunteer Firefighter Innovative Cancer Screening Technologies Program (the Program). Finally, it would increase the discretionary funding for the Program from a maximum of \$500,000 to \$3,000,000 for the current and future fiscal years.

The industry agreed to a 4-cent increase to the transfer fee with the Department of the Environment as reflected in [SB250](#) – the Departmental bill to increase various fees, penalties, and funding mechanisms. This agreement was also a part of the Department's bill last year – [HB245](#) – which passed the House but failed in the Senate.

As noted above, the transfer fee goes to the Maryland Oil Disaster Containment, Clean-Up and Contingency Fund. The Fund was established for MDE "to use to develop equipment, personnel, and plans; for contingency actions to respond to, contain, clean-up, and remove from the land and waters of the state discharges of oil, petroleum products, and their by-products into, upon, or adjacent to the waters of the state; and restore natural resources damaged by discharges" (Environment Article, Section 4-411(f)).

For context, a 1 cent fee on a barrel of oil equals roughly \$1 million to the Fund. Historically, the fee has been 8 cents per barrel and included a 5-year sunset so the General Assembly and the Department could review its efficacy. It went to 5-cents for the current fiscal year when HB245 failed last year. The Department took a ~\$4M hit. Similarly, a 3 or 4 cent increase above the 9 cents in this year's SB250 would be a \$3-4 million fee increase on Maryland's distributors.

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The Professional and Volunteer Firefighter Innovative Cancer Screening Technologies Program is certainly a worthy cause. There is no disagreement there. However, the concern from the industry is the lack of nexus considering the Fund's statutory purpose and the precedent such a funding diversion would make. The transfer fee is not an appropriate funding source for the Program.

One suggestion would be to adopt an amendment that conforms HB757 to Senate Bill 849. SB849 is designated as a crossfile but as introduced, it does not include the funding swap contained in HB757.

Thank you for your consideration. Absent the aforementioned amendment, MAPDA opposes HB757 and requests an unfavorable committee report.

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