

# SENATE BILL 1010

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CF HB 1307

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By: **Senator Hershey**

Introduced and read first time: February 15, 2016

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Environment – Municipal Water Supply Contamination – Remediation Costs**

3 FOR the purpose of authorizing the Department of the Environment to use the Maryland  
4 Oil Disaster Containment, Clean-Up and Contingency Fund to pay any costs  
5 incurred by a municipality associated with the contamination of the municipal water  
6 supply caused by the action of an entity that receives funding from the State;  
7 requiring, if the Fund is used to pay certain costs, priority be given to costs associated  
8 with certain remediation projects that involve certain technology; requiring the  
9 Department to use money credited to the Fund to pay the costs of certain cleanup,  
10 corrective action, and treatment of contamination of the public water supply of the  
11 Town of Chestertown resulting from actions taken by the University of Maryland  
12 Medical Center at Chestertown on detection of a certain level of a certain  
13 contaminant in a certain well; and generally relating to the use of the Maryland Oil  
14 Disaster Containment, Clean-Up and Contingency Fund.

15 BY repealing and reenacting, with amendments,  
16 Article – Environment  
17 Section 4-411(f) and (g)  
18 Annotated Code of Maryland  
19 (2013 Replacement Volume and 2015 Supplement)

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

22 **Article – Environment**

23 4-411.

24 (f) (1) There is a Maryland Oil Disaster Containment, Clean-Up and  
25 Contingency Fund for the Department to use to develop equipment, personnel, and plans;  
26 for contingency actions to respond to, contain, clean-up, and remove from the land and

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 waters of the State discharges of oil, petroleum products, and their by-products into, upon,  
2 or adjacent to the waters of the State; and restore natural resources damaged by discharges.  
3 The Fund may also be used by the Department for oil-related activities in water pollution  
4 control programs. The cost of containment, clean-up, removal, and restoration, including  
5 attorneys' fees and litigation costs, shall be reimbursed to the State by the person  
6 responsible for the discharge. The reimbursement shall be credited to the Fund. The Fund  
7 shall be limited in accordance with the limits set forth in this section. To this sum shall be  
8 credited every license fee, fine, if imposed by the circuit court for any county, and any other  
9 charge related to this subtitle. To this Fund shall be charged every expense the Department  
10 of the Environment has which relates to this section.

11 (2) Notwithstanding any other provision of this section, in fiscal years 2015  
12 and 2016 only, the Fund may be used to pay costs associated with the purposes of the Oil  
13 Contaminated Site Environmental Cleanup Fund specified in § 4-704 of this title.

14 (3) **NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,**  
15 **THE FUND:**

16 (i) **MAY BE USED TO PAY ANY COSTS INCURRED BY A**  
17 **MUNICIPALITY ASSOCIATED WITH THE CONTAMINATION OF THE MUNICIPAL WATER**  
18 **SUPPLY CAUSED BY THE ACTION OF AN ENTITY THAT RECEIVES FUNDING FROM THE**  
19 **STATE, INCLUDING THE ESTABLISHMENT OF AN ALTERNATIVE WATER SUPPLY; AND**

20 (ii) **SHALL BE USED UNDER ITEM (I) OF THIS PARAGRAPH IN A**  
21 **MANNER THAT GIVES PRIORITY TO COSTS ASSOCIATED WITH REMEDIATION**  
22 **PROJECTS APPROVED BY THE DEPARTMENT THAT INVOLVE INNOVATIVE**  
23 **TREATMENT TECHNOLOGY FOR WHICH THE LACK OF RELIABLE DATA ON**  
24 **EFFECTIVENESS AND RISKS INHIBITS COMMON USE OF THE TECHNOLOGY.**

25 (g) Money in the Fund not needed currently to meet the Department of the  
26 Environment's obligations in the exercise of its responsibility under this section shall be  
27 deposited with the State Treasurer to the credit of the Fund, and may be invested as  
28 provided by law. Interest received on the investment shall be credited to the Fund. The  
29 Secretary of the Environment shall determine the proper allocation of the moneys credited  
30 to the Fund only for the following purposes:

31 (1) Administrative expenses, personnel expenses, and equipment costs of  
32 the Department related to the purposes of this section;

33 (2) Prevention, control, containment, clean-up, and removal of discharges  
34 into, upon, or adjacent to waters of the State of discharges of oil, petroleum products and  
35 their by-products, and the restoration of natural resources damaged by such discharges;

36 (3) Development of containment and clean-up equipment, plans, and  
37 procedures in accordance with the purposes of this section;

1           (4)     Paying insurance costs by the State to extend or implement the benefits  
2 of the Fund;

3           (5)     Expenses related to oil-related activities in the Department's water  
4 pollution control programs; [and]

5           (6)     In fiscal years 2015 and 2016 only, paying costs associated with the  
6 purposes of the Oil Contaminated Site Environmental Cleanup Fund specified in § 4-704  
7 of this title; AND

8           **(7)     ANY COSTS INCURRED BY A MUNICIPALITY ASSOCIATED WITH THE**  
9 **CONTAMINATION OF THE MUNICIPAL WATER SUPPLY CAUSED BY THE ACTION OF AN**  
10 **ENTITY THAT RECEIVES FUNDING FROM THE STATE, INCLUDING THE**  
11 **ESTABLISHMENT OF AN ALTERNATIVE WATER SUPPLY.**

12           SECTION 2. AND BE IT FURTHER ENACTED, That:

13           (a)     Subject to subsection (b) of this section, the Department of the Environment  
14 shall use money credited to the Maryland Oil Disaster Containment, Clean-Up and  
15 Contingency Fund to pay the costs of any cleanup, corrective action, and treatment of  
16 contamination of the public water supply resulting from actions taken by the University of  
17 Maryland Medical Center at Chestertown in order to provide safe and affordable drinking  
18 water to residents and businesses of the Town of Chestertown without disruption.

19           (b)     The requirement to pay the costs under subsection (a) of this section shall be  
20 triggered by the detection of any contaminant, including total petroleum hydrocarbon  
21 (TPH), diesel ranged organics (DROs) and volatile organic compounds (VOCs), Ivey-sol  
22 surfactant, or other constituents associated with a fuel oil spill, at a level exceeding the  
23 maximum contaminant level specified in COMAR 26.04.01, in any monitoring well, sentinel  
24 well, or production well in the Town of Chestertown.

25           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
26 October 1, 2016.