

Department of Legislative Services
 Maryland General Assembly
 2017 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 164 (Delegate Grammer)
 Environment and Transportation

Environment - Lynch Cove Run - Soil Testing

This bill requires the Maryland Department of the Environment (MDE) to conduct soil sampling in at least six places on each side of the stream corridor of Lynch Cove Run to test for volatile organic compounds and petroleum hydrocarbons. MDE must use specified testing methods established by the U.S. Environmental Protection Agency and must report the results of the testing to the General Assembly.

Fiscal Summary

State Effect: Special fund expenditures for MDE increase by \$19,333 in FY 2018 only for contractual services to conduct the required soil testing. MDE can report the testing results to the General Assembly with existing resources. Revenues are not affected.

(in dollars)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	19,300	0	0	0	0
Net Effect	(\$19,300)	\$0	\$0	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: The bill is not anticipated to materially affect local operations or finances.

Small Business Effect: None.

Analysis

Current Law: MDE has general authority to investigate and clean up hazardous substances and oil.

Maryland Department of the Environment's Oil Control Program and Related Activities

The Maryland Oil Disaster, Containment, Clean-Up and Contingency Fund was established in 1986 to provide funding to MDE's oil pollution prevention programs, such as permitting, enforcement, and oil spill response. The goal of MDE's Oil Control Program is to ensure the safe handling, transportation, and storage of petroleum products within Maryland and to ensure the remediation of releases when they occur. Inspectors investigate complaints of illegal dumping and the improper handling of oil as well as noncompliance with State and federal regulations.

The Emergency Response Division (ERD) within MDE is the primary State unit that receives and tracks spill reports involving oil. ERD provides (1) 24-hour emergency response to spill incidents; (2) technical support to other programs within MDE; (3) site safety and technical support to the Environmental Crimes Unit during criminal search warrants; and (4) specific training to local fire, police, environmental health departments, and other interested parties upon request.

Liability for Damages Caused by Releases of Oil

Under current law, known responsible parties (whether State agencies, private, or otherwise) are directly liable for damages to a person or real property from releases of oil, including from underground oil storage tanks. The responsible party must pay clean-up costs or reimburse the State for its costs to conduct these cleanups.

Background: According to MDE, in February 2016, MDE began an investigation of a release of heating oil from the North Point Government facility into Lynch Cove Run. The facility is owned by Baltimore County. MDE has been directing the investigations and cleanup. The released oil ran from two heating oil underground storage tanks into Lynch Cove Run through an adjacent storm drain system. Since then, Baltimore County has (1) removed the two underground storage tanks; (2) collected several soil and groundwater samples to determine the extent of the impact of the release; and (3) performed an evaluation of Lynch Cove Run. MDE advises that, based upon the work completed to date, the heating oil release appears to have been confined to the area near the former underground storage tanks, and the release does not appear to have caused any lasting impacts on Lynch Cove Run. At MDE's request, Baltimore County is continuing to conduct soil and groundwater testing to monitor the conditions of residual oil in the subsurface.

State Expenditures: MDE special fund expenditures increase by \$19,333 in fiscal 2018 only. This estimate reflects the cost of hiring a contractor to conduct the required soil sampling and testing and any follow-up ground repair that may be necessary. The information and assumptions used in calculating the estimate are stated below:

- MDE conducts the required testing in fiscal 2018;
- MDE uses special funds from the Oil Disaster Containment, Clean-Up and Contingency Fund to pay for the contractor;
- MDE works with staff from the Office of the Attorney General to contact property owners to execute access agreements to allow the contractor to conduct sampling work; and
- MDE staff develops a work plan for the collection of the samples, manages the contractor, reviews data, and completes the required report with existing budgeted resources and staff.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of the Environment; Department of Legislative Services

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