



Mid-Atlantic Petroleum Distributors Association
P.O. Box 711 ★ Annapolis, MD 21404
410-693-2226 ★ www.mapda.com

To: Senate Education, Health and Environment Affairs

From: Ellen Valentino

Date: February 24, 2021

Re: SB 661 MD Oil Disaster Containment, Clean-up and Contingency Fund and Oil Contaminated Site Environmental Cleanup – Funding, Reallocation, and Reimbursements - Support

This program and fund, in some form, **has been in effect for over 30-years**. The fund assists heat oil tank owners with cleanup costs and provides funding for MDE's oil pollution programs and staffing.

Our industry has always supported the fund and the purpose. The program is set to expire – and should be extended. The legislation does make some slight shifts but necessary ones. It does not increase the current collective fee.

- Under current law, a fee of 8.0 cents per barrel is assessed on the first transfer of oil in the State, with portions of the fee being credited to the Oil Fund and Reimbursement Fund. Beginning July 1, 2021, the 7.75 cents portion of the fee credited to the Oil Fund is scheduled to decrease to 5.0 cents, and the 0.25 cents portion of the fee credited to the Reimbursement Fund is scheduled to decrease to 0 cents.
- The proposed bill would:
 - Extend the 8.0 cents per barrel fee by three years (until June 30, 2024) to be solely credited to the Oil Fund.
 - Cease the deposits to the Reimbursement Fund and new applications to this Fund for reimbursements on July 1, 2021.
 - Extend the authorization to pay off the current backlog of reimbursement applications through fiscal year 2026 (June 30, 2026).

Thank you. We ask for a favorable report.

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MAPDA is an association of convenience stores and energy distributors in Maryland, Delaware & the District of Columbia.