

# HOUSE BILL 156

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5lr1326  
CF SB 133

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By: Allegany County Delegation and Delegates Anderton, Beidle, Flanagan, and Lafferty

Introduced and read first time: January 28, 2015

Assigned to: Environment and Transportation

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 3, 2015

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Environment – Bay Restoration Fund – Use of Funds**

3 FOR the purpose of authorizing funds in the Bay Restoration Fund, in certain fiscal years,  
4 to be used to pay a certain percentage of the total cost of projects relating to combined  
5 sewer overflows abatement, rehabilitation of existing sewers, and upgrading certain  
6 conveyance systems; specifying that an order of priority for certain projects funded  
7 by the Bay Restoration Fund in certain fiscal years shall be determined by the  
8 Department of the Environment based on certain criteria; repealing a certain  
9 limitation on an authorization of funds in the Bay Restoration Fund to be used for  
10 grants to certain local governments for certain stormwater control measures; and  
11 generally relating to the use of funds in the Bay Restoration Fund.

12 BY repealing and reenacting, with amendments,

13 Article – Environment

14 Section 9–1605.2(i)(2)

15 Annotated Code of Maryland

16 (2014 Replacement Volume)

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

19 **Article – Environment**

20 9–1605.2.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (i) (2) Funds in the Bay Restoration Fund shall be used only:

2 (i) To award grants for up to 100% of eligible costs of projects  
3 relating to planning, design, construction, and upgrade of a wastewater facility for flows up  
4 to the design capacity of the wastewater facility, as approved by the Department, to achieve  
5 enhanced nutrient removal in accordance with paragraph (3) of this subsection;

6 (ii) ~~1~~ In fiscal years [2005 through 2009, inclusive,] **2016 AND**  
7 **THEREAFTER**, for [a portion] **UP TO 87.5%** of the **TOTAL [costs] COST** of projects, AS  
8 APPROVED BY THE DEPARTMENT, relating to combined sewer overflows abatement,  
9 rehabilitation of existing sewers, and upgrading conveyance systems, including pumping  
10 stations[, not to exceed an annual total of \$5,000,000];

11 ~~2~~ **(III)** In fiscal years 2010 and thereafter, for a portion of  
12 the operation and maintenance costs related to the enhanced nutrient removal technology,  
13 which may not exceed 10% of the total restoration fee collected from users of wastewater  
14 facilities under this section by the Comptroller annually; ~~AND~~

15 ~~3~~ **(IV)** In fiscal years 2018 and thereafter, after payment  
16 of outstanding bonds and the allocation of funds to other required uses of the Bay  
17 Restoration Fund for funding in the following order of priority:

18 ~~A~~ **1.** For funding an upgrade of a wastewater facility to  
19 enhanced nutrient removal at wastewater facilities with a design capacity of 500,000  
20 gallons or more per day;

21 ~~B~~ **2.** For funding for the most cost-effective enhanced nutrient  
22 removal upgrades at wastewater facilities with a design capacity of less than 500,000  
23 gallons per day; AND

24 **3. AS DETERMINED BY THE DEPARTMENT AND BASED**  
25 **ON WATER QUALITY AND PUBLIC HEALTH BENEFITS, FOR THE FOLLOWING:**

26 **A. FOR COSTS IDENTIFIED UNDER ITEM (II) OF THIS**  
27 **PARAGRAPH;**

28 ~~C~~ **B.** For costs identified under subsection (h)(2)(i)1 of this  
29 section; and

30 ~~D~~ **C.** With respect to a local government that has enacted and  
31 implemented a system of charges ~~under § 4-204 of this article~~ to fully fund the  
32 implementation of a stormwater management program, for grants to the local government  
33 for a portion of the costs of the most cost-effective and efficient stormwater control

1 measures, as determined and approved by the Department, from the restoration fees  
2 collected annually by the Comptroller from users of wastewater facilities under this section;

3 ~~(iii)~~ **(V)** As a source of revenue or security for the payment of  
4 principal and interest on bonds issued by the Administration if the proceeds of the sale of  
5 the bonds will be deposited in the Bay Restoration Fund;

6 ~~(iv)~~ **(VI)** To earn interest on Bay Restoration Fund accounts;

7 ~~(v)~~ **(VII)** For the reasonable costs of administering the Bay  
8 Restoration Fund, which may not exceed 1.5% of the total restoration fees imposed on users  
9 of wastewater facilities that are collected by the Comptroller annually;

10 ~~(vi)~~ **(VIII)** For the reasonable administrative costs incurred by a local  
11 government or a billing authority for a water or wastewater facility collecting the  
12 restoration fees, in an amount not to exceed 5% of the total restoration fees collected by  
13 that local government or billing authority;

14 ~~(vii)~~ **(IX)** For future upgrades of wastewater facilities to achieve  
15 additional nutrient removal or water quality improvement, in accordance with paragraphs  
16 (6) and (7) of this subsection;

17 ~~(viii)~~ **(X)** For costs associated with the issuance of bonds; and

18 ~~(ix)~~ **(XI)** Subject to the allocation of funds and the conditions under  
19 subsection (h) of this section, for projects related to the removal of nitrogen from on-site  
20 sewage disposal systems and cover crop activities.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
22 October 1, 2015.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.