

HOUSE BILL 156

M3

5r1326
CF SB 133

By: **Allegany County Delegation**

Introduced and read first time: January 28, 2015

Assigned to: Environment and Transportation

A BILL ENTITLED

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; and generally relating to the use of funds in the Bay Restoration
7 Fund.

8 BY repealing and reenacting, with amendments,
9 Article – Environment
10 Section 9–1605.2(i)(2)
11 Annotated Code of Maryland
12 (2014 Replacement Volume)

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

15 **Article – Environment**

16 9–1605.2.

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

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

22 (ii) 1. In fiscal years [2005 through 2009, inclusive,] **2016 AND**
23 **THEREAFTER**, for [a portion] **UP TO 87.5%** of the **TOTAL [costs] COST** of projects relating

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 to combined sewer overflows abatement, rehabilitation of existing sewers, and upgrading
2 conveyance systems, including pumping stations[, not to exceed an annual total of
3 \$5,000,000];

4 2. In fiscal years 2010 and thereafter, for a portion of the
5 operation and maintenance costs related to the enhanced nutrient removal technology,
6 which may not exceed 10% of the total restoration fee collected from users of wastewater
7 facilities under this section by the Comptroller annually; **AND**

8 3. In fiscal years 2018 and thereafter, after payment of
9 outstanding bonds and the allocation of funds to other required uses of the Bay Restoration
10 Fund for funding in the following order of priority:

11 A. For funding an upgrade of a wastewater facility to
12 enhanced nutrient removal at wastewater facilities with a design capacity of 500,000
13 gallons or more per day;

14 B. For funding for the most cost-effective enhanced nutrient
15 removal upgrades at wastewater facilities with a design capacity of less than 500,000
16 gallons per day;

17 C. For costs identified under subsection (h)(2)(i)1 of this
18 section; and

19 D. With respect to a local government that has enacted and
20 implemented a system of charges under § 4-204 of this article to fully fund the
21 implementation of a stormwater management program, for grants to the local government
22 for a portion of the costs of the most cost-effective and efficient stormwater control
23 measures, as determined and approved by the Department, from the restoration fees
24 collected annually by the Comptroller from users of wastewater facilities under this section;

25 (iii) As a source of revenue or security for the payment of principal
26 and interest on bonds issued by the Administration if the proceeds of the sale of the bonds
27 will be deposited in the Bay Restoration Fund;

28 (iv) To earn interest on Bay Restoration Fund accounts;

29 (v) For the reasonable costs of administering the Bay Restoration
30 Fund, which may not exceed 1.5% of the total restoration fees imposed on users of
31 wastewater facilities that are collected by the Comptroller annually;

32 (vi) For the reasonable administrative costs incurred by a local
33 government or a billing authority for a water or wastewater facility collecting the
34 restoration fees, in an amount not to exceed 5% of the total restoration fees collected by
35 that local government or billing authority;

1 (vii) For future upgrades of wastewater facilities to achieve additional
2 nutrient removal or water quality improvement, in accordance with paragraphs (6) and (7)
3 of this subsection;

4 (viii) For costs associated with the issuance of bonds; and

5 (ix) Subject to the allocation of funds and the conditions under
6 subsection (h) of this section, for projects related to the removal of nitrogen from on-site
7 sewage disposal systems and cover crop activities.

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