

Chapter 153

(Senate Bill 133)

AN ACT concerning

Environment – Bay Restoration Fund – Use of Funds

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

BY repealing and reenacting, with amendments,

Article – Environment

Section 9–1605.2(i)(2)

Annotated Code of Maryland

(2014 Replacement Volume)

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

Article – Environment

9–1605.2.

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

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

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

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

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

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

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

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

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

~~C.~~ ~~FOR COSTS IDENTIFIED UNDER ITEM 1 OF THIS ITEM;~~

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

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

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

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

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

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

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

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

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

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

Approved by the Governor, May 12, 2015.