

Chapter 397

(Senate Bill 1190)

AN ACT concerning

**Bay Restoration Fund – Upgraded ~~Municipal~~ Wastewater Facilities – Grants to Counties and Municipalities**

FOR the purpose of authorizing the Department of the Environment to use ~~certain~~ funds from the Bay Restoration Fund to provide grants to a county or municipality that upgraded a ~~municipal~~ wastewater facility to enhanced nutrient removal before a certain date under certain circumstances; specifying the total amount of the grants that may be awarded under this Act; specifying that the grants awarded under this Act be provided on a certain basis; providing for the termination of this Act; and generally relating to the use of the Bay Restoration Fund.

~~BY repealing and reenacting, without amendments,  
Article – Environment  
Section 9-1605.2(h)(2)(i)  
Annotated Code of Maryland  
(2014 Replacement Volume and 2016 Supplement)~~

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

~~Article – Environment~~

~~9-1605.2.~~

~~(h) (2) The Comptroller shall:~~

~~(i) Deposit 60% of the funds in the separate account to be used for:~~

~~1. Subject to paragraphs (3), (4), (5), and (6) of this subsection, with priority first given to failing systems and holding tanks located in the Chesapeake and Atlantic Coastal Bays Critical Area and then to failing systems that the Department determines are a threat to public health or water quality, grants or loans for up to 100% of:~~

~~A. The costs attributable to upgrading an on-site sewage disposal system to the best available technology for the removal of nitrogen;~~

~~B. The cost difference between a conventional on-site sewage disposal system and a system that utilizes the best available technology for the removal of nitrogen;~~

~~C. The cost of repairing or replacing a failing on-site sewage disposal system with a system that uses the best available technology for nitrogen removal;~~

~~D. The cost, up to the sum of the costs authorized under item B of this item for each individual system, of replacing multiple on-site sewage disposal systems located in the same community with a new community sewerage system that is owned by a local government and that meets enhanced nutrient removal standards; or~~

~~E. The cost, up to the sum of the costs authorized under item C of this item for each individual system, of connecting a property using an on-site sewage disposal system to an existing municipal wastewater facility that is achieving enhanced nutrient removal or biological nutrient removal level treatment, including payment of the principal, but not interest, of debt issued by a local government for such connection costs;~~

~~2. The reasonable costs of the Department, not to exceed 8% of the funds deposited into the separate account, to:~~

~~A. Implement an education, outreach, and upgrade program to advise owners of on-site sewage disposal systems and holding tanks on the proper maintenance of the systems and tanks and the availability of grants and loans under item 1 of this item;~~

~~B. Review and approve the design and construction of on-site sewage disposal system or holding tank upgrades;~~

~~C. Issue grants or loans as provided under item 1 of this item;~~  
and

~~D. Provide technical support for owners of upgraded on-site sewage disposal systems or holding tanks to operate and maintain the upgraded systems;~~

~~3. A portion of the reasonable costs of a local public entity that has been delegated by the Department under § 1-301(b) of this article to administer and enforce environmental laws, not to exceed 10% of the funds deposited into the separate account, to implement regulations adopted by the Department for on-site sewage disposal systems that utilize the best available technology for the removal of nitrogen; and~~

~~4. Subject to paragraph (7) of this subsection, financial assistance to low-income homeowners, as defined by the Department, for up to 50% of the cost of an operation and maintenance contract of up to 5 years for an on-site sewage disposal system that utilizes nitrogen removal technology; and~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding~~

~~(a) Notwithstanding any other provision of law, the Department of the Environment may use funds from the Bay Restoration Fund that are deposited into the~~

~~account under § 9-1605.2(h)(2)(i) of the Environment Article to award a grant of up to \$2,000,000 to a county or municipality that upgraded a municipal wastewater facility to enhanced nutrient removal before July 1, 2013, if:~~

(1) the county or municipality did not receive a grant for the upgrade from the Bay Restoration Fund; and

(2) the customers of the wastewater facility pay the Bay Restoration Fee.

(b) The Department of the Environment may award up to \$2,000,000 in grants under this section on a first-come, first-served basis.

SECTION ~~3~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017. It shall remain effective for a period of 2 years and, at the end of September 30, 2019, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

**Approved by the Governor, May 4, 2017.**