STATE OF MARYLAND

MARYLAND DEPARTMENT OF THE ENVIRONMENT Shari T. Wilson, Secretary

BILL NO: HOUSE BILL 259

COMMITTEE: Environmental Matters

POSITION: Support with Sponsor Amendments

<u>TITLE:</u> Environmental Health Monitoring and Testing - Reimbursement of Costs

<u>BILL ANALYSIS:</u> With sponsor amendments, this bill provides Counties and Baltimore City the authority to recover costs incurred in monitoring, investigating or responding to a discharge of oil, a hazardous substance or other pollutants. The Department may also recover those costs on behalf of those local jurisdictions.

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The bill adds two new sections to the Environment Article: §1-303 authorizing the counties and Baltimore City to cost recover; and § 9-342.1, authorizing the Department to recover costs under general water pollution authority. The bill also authorizes a civil action to recover reimbursable costs.

POSITION AND RATIONALE: SUPPORT WITH SPONSOR AMENDMENTS

Under state law, MDE is authorized to recover costs related to the investigation and clean up of oil and hazardous substances releases to soil or groundwater. This is typically referred to as "cost recovery" authority. County governments do not presently have "cost recovery" authority to recover moneys spent in responding to oil spills, the discharge of a hazardous substance or other pollutants.

With the amendments proposed by the sponsor, this bill would provide counties the authority to recover costs incurred in monitoring and assessing the impact of a release or discharge of pollutants into the environment at sites within the counties' jurisdiction directly from the person who caused the discharge.

The bill would also extend the "cost recovery" authority to MDE and counties and Baltimore City to the general water pollution statutes. If enacted, this legislation will allow MDE and counties and Baltimore City to recover moneys expended in responding to a release of oil, hazardous substance and other pollutants from the person responsible for the discharge. The bill also requires MDE to recover the costs incurred by the County if the County determines that a state action would be more efficient.

This bill provides a resolution to the situation that arose out of groundwater contamination emanating from a coal combustion by-product disposal site in Anne Arundel County. In that situation the Anne Arundel County Department of Health incurred approximately \$100k in costs to sample residential drinking water wells. MDE did not have the ability to recover the County's costs nor did the County, absent a law suit based on common law. In the same situation, where MDE incurs costs in investigating and responding to a release of pollutants, state law provides "cost recovery" authority where the state responds to a releases of oil or a hazardous substance.

This bill extends the state's cost recovery authority to all types of water pollution and provides the same authority for counties and the City of Baltimore.

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