



## Residential Heating Oil Tank System Site Rehabilitation Reimbursement Program

### What You Need to Know

The Oil Contaminated Site Environmental Cleanup Fund was established by law to fund the Residential Heating Oil Tank System Site Rehabilitation Reimbursement Program (the Program). The purpose of the Program is to reimburse owners of heating oil storage tanks (aboveground and underground storage tanks) for eligible site rehabilitation costs.

### Applying to the Program for Reimbursement

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In order to apply to the Program for reimbursement, a residential owner must:

- Submit a complete and accurate application on a form supplied by the Maryland Department of the Environment (MDE) (Application and Expense Form can be downloaded from the MDE-OCP's Residential Heating Oil webpage: <https://mde.maryland.gov/programs/land/OilControl/Pages/ResidentialHeatingOil.aspx>)
- As directed by MDE or as requested within the application form, submit the following for approval:
  - A corrective action plan
  - An implementation schedule
  - A cost estimate
  - An estimated completion date, and
  - Submit certain analytical sampling data and disposal receipts
- On a form supplied by MDE, a description of the incurred site rehabilitation costs eligible for reimbursement, including copies of actual invoices and other proofs of payment (Expense Form can be downloaded from the MDE-OCP's Residential Heating Oil webpage, link above)
- Either the State Department of Assessments and Taxation (SDAT) online property database search results page for the residential property (link below), or the most recent SDAT property tax assessment notice. (<https://sdatt.dat.maryland.gov/RealProperty/Pages/default.aspx>)
- Once the application is approved, MDE will request a current W-9 Identification Number and Certification Form from the Internal Revenue Service.  
(Link to IRS Form W-9: <https://www.irs.gov/pub/irs-pdf/fw9.pdf>)

As part of the application process, the residential owner must:

- Certify that the spill, release, or discharge of oil:
  - Resulted from a residential heating oil tank system, and
  - Is not the result of a willful or deliberate act



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- Be in substantial compliance with all Maryland laws and regulations applicable to residential heating oil tank systems
- Certify to MDE that the site rehabilitation costs submitted for reimbursement are:
  - True and eligible for reimbursement
  - Necessary to complete site rehabilitation, and
  - Not excluded from reimbursement under the Program

### Application Requirements

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A residential owner of a residential heating oil tank system may apply to MDE for reimbursement from the Program as follows:

- Until the date established by law (currently set at June 30, 2024)
- Not later than 6 months after the completion of site rehabilitation (although it can be submitted prior to the start or completion of site rehabilitation work)
  - Generally, the completion of site rehabilitation may be the later of when an Oil Control Program case was closed (if one was opened) or the completion of site work by the contractor
- Only for eligible site rehabilitation costs (listed below)
- Once for the entire period of ownership of the single-family residential property where the residential heating oil tank system is located
- Once per State fiscal year if the residential heating oil tank system is not located at the primary residence of the residential owner

### Eligible Costs

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MDE **may** reimburse a residential owner of a residential heating oil tank system for the following site rehabilitation costs if MDE determines that they are cost effective, reasonable, and consistent with an application received by MDE:

- Soil treatment, including:
  - Excavation, transportation, and proper disposal of oil-contaminated soil
  - On-site treatment, such as soil vapor extraction
- Procurement and installation of groundwater remediation equipment, including soil vapor extraction equipment



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- Subsurface investigation, well bailing, recovery system design, operation, monitoring, or a combination of these activities
- Private supply well replacement
- Odor abatement activities, such as forced venting and oil saturated material removal and proper disposal, replacement, or restoration to a degree as determined by MDE to return a residence to a habitable condition
- Closure of a heating oil tank by removal, if MDE determines removal of the heating oil tank is necessary to accomplish soil treatment
- Other site rehabilitation activities performed by a residential owner under the direction and approval of MDE to remediate a spill, release, or discharge of oil from a residential heating oil tank system

### Ineligible Costs and Specific Exclusions

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MDE **may not** reimburse a residential owner of a residential heating oil tank system for the following costs:

- Closure in place of an underground residential heating oil tank system
- Installation of a new or replacement residential heating oil tank system
- Upgrades to or retrofitting of an existing residential heating oil tank system
- Third-party contractor mobilization or demobilization of equipment, materials, and personnel at a site
- Preparation of a complete application, including preparing or obtaining support documentation
- Performance of activities that are not related to remediation of oil-contaminated soil, groundwater, or surface water at a site so as to mitigate threats to public health, safety, and welfare or the environment, as determined by MDE
- Site rehabilitation costs for residential heating oil tank systems incurred before October 1, 2000
- Site rehabilitation costs that result from a spill, release, or discharge of oil that does not originate from a residential heating oil tank system
- Third party claims
- Site rehabilitation costs that have been paid or are payable under an insurance policy



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#### Property Value Information and Reimbursement Allocation Limits

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Starting October 1, 2022, all applications must include a printout from the SDAT website that shows the subject property's value. Alternatively, the applicant could submit the most recent property tax assessment.

The applicant's reimbursement will be limited based on the residential property value as follows:

- If the value is less than or equal to \$300,000, the reimbursement allocation is:
  - 100% of the eligible site rehabilitation costs; and
  - Up to a total of \$20,000, less the \$500 deductible;
- If the value is greater than \$300,000 and less than or equal to \$600,000, the reimbursement allocation is:
  - 50% of the eligible site rehabilitation costs; and
  - Up to a total of \$10,000, less the \$500 deductible; or
- If the value is greater than \$600,000, the reimbursement allocation is:
  - 25% of eligible site rehabilitation costs; and
  - Up to a total of \$5,000, less the \$500 deductible.

#### Notice to Potential Applicants

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**There continues to be a significant wait time of up to several years for applicants to receive reimbursements through the Program.** Revenue to the Program is generated by a fee assessed on each barrel of oil when it is first transferred within Maryland. COMAR 26.10.14.07A(2) states that, "Subject to the availability of revenues within the Fund, the Department shall approve reimbursement allocations for approved applications in order of their numerical ranking." MDE processes each approved application as funds become available. Please note that the funding received each quarter may not be sufficient to reimburse applications submitted and approved within any quarter, and there is currently a list of applications awaiting reimbursement.

#### Questions

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For further information on the Program or to check the status of an application, please contact the Land and Material Administration's Operational and Administrative Services Program at (410) 537-3676, or (800) 633-6101 x3676, or by email at [caprice.mclaughlin1@maryland.gov](mailto:caprice.mclaughlin1@maryland.gov) or [diana.williams1@maryland.gov](mailto:diana.williams1@maryland.gov).