

SENATE BILL NO. 505

BY SENATOR CATHEY

1 AN ACT

2 To amend and reenact R.S. 30:2195.2(A)(5) and (6)(a)(ii), (b), (c), (d), and (e), and to enact
3 R.S. 30:2195.2 (A)(6)(f) and (g), relative to the Motor Fuels Underground Storage
4 Tank Trust Dedicated Fund Account; to provide for time limits; to provide for single
5 and total grant amounts; to provide for minimum account balances; to provide for
6 limitations; to provide for eligible applicants; to provide for ownership disclosure;
7 to provide for application periods; to provide for applicability; to provide for an
8 effective date; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 30:2195.2(A)(5) and (6)(a)(ii), (b), (c), (d), and (e) are hereby
11 amended and reenacted, and R.S. 30:2195.2(A)(6)(f) and (g) are hereby enacted to read as
12 follows:

13 §2195.2. Uses of the Tank Trust Account

14 A. The department shall administer the Tank Trust Account and shall make
15 disbursements from the account for all necessary and appropriate expenditures.
16 Pursuant to the authorization in R.S. 30:2195, the secretary of the Department of
17 Environmental Quality shall use the Tank Trust Account as follows:

18 * * *

19 (5) The Tank Trust Account may be used to make payments to a third party
20 who brings a third-party claim against the secretary of the department and any owner
21 of a motor fuel underground storage tank because of damages sustained by a release
22 into the groundwater, surface waters, or soils and who obtains a final judgment in
23 said action enforceable in this state against the owner and the secretary if and only
24 if it has been satisfactorily demonstrated that the owner was an eligible participant
25 at the time that the release occurred as defined in R.S. 30:2194(B)(3). The
26 ~~indemnification~~ limit of the trust with respect to satisfaction of third-party claims
27 shall be that which is necessary to satisfy federal petroleum underground storage

1 tank financial responsibility requirements.

2 (6) * * *

3 (a) A grant or loan may only be made pursuant to this Paragraph if all of the
4 following apply:

5 * * *

6 (ii) ~~The site is registered with the department as a single wall~~
7 ~~underground storage tank system~~ **was installed prior to December 20, 2008.**

8 * * *

9 (b) Grants provided pursuant to this Paragraph shall only be made in the form
10 of reimbursement for completed upgrades and improvements after inspection and
11 approval by the department. **Applicants shall complete the upgrade or**
12 **improvement no later than three years from approval for participation in the**
13 **program.**

14 (c) ~~No grant or loan shall exceed one hundred fifty thousand dollars, and the~~
15 ~~total amount of grants per year shall not exceed three million dollars~~ **The board**
16 **annually shall limit the maximum amount of funds to be awarded for a single**
17 **grant or loan, not to exceed three hundred thousand dollars.**

18 (d) **The board annually shall limit the total amount of funds to be**
19 **awarded for grants and loans in an amount not to exceed seventy-five percent**
20 **of the unobligated balance of the interest account of the Tank Trust Account.**

21 (e) ~~Eligible applicants may only apply for one grant or loan each year.~~ **The**
22 **department shall establish rules to ensure that an owner may participate in the**
23 **program no more than once per fiscal year. For purposes of this Subparagraph,**
24 **an owner shall be the natural person or juridical entity that owns the**
25 **underground storage tank project facility where the grant will be applied.**
26 **Applicants to the program shall be required to disclose the ownership structure**
27 **of the underground storage tank project facility.**

28 ~~(e)~~(f) **The maximum number of grants and loans awarded per**
29 **application period and per fiscal year shall be set by the board, not to exceed**
30 **twenty per application period and forty per fiscal year. The application periods**

1 **for grants and loans shall be as follows:**

2 **(i) First quarter, from July first to September thirtieth.**

3 **(ii) Third quarter, from January first to March thirty-first.**

4 **(g)** The secretary shall promulgate rules and regulations to implement this
5 Paragraph, including the application process, procedures the applicant shall follow
6 prior to making upgrades or improvements to the site, inspection and approval of
7 upgrades or improvements by the department, and procedures the applicant shall
8 follow after completing the work to either claim reimbursement or begin making
9 repayments.

10 * * *

11 Section 2. The provisions of this Act shall apply to sites that receive approval on or
12 after July 1, 2026.

13 Section 3. This Act shall become effective on July 1, 2026; if vetoed by the governor
14 and subsequently approved by the legislature, this Act shall become effective on the day
15 following such approval by the legislature or July 1, 2026, whichever is later.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____