

SENATE SUMMARY OF HOUSE AMENDMENTS

SB 257

2016 Regular Session

Walsworth

KEYWORD AND SUMMARY AS RETURNED TO THE SENATE

ENVIRONMENTAL QUALITY. Provides for underground storage tanks and the Motor Fuels Underground Storage Tank Trust Fund. (8/1/16)

SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL

1. Specifically excludes liquid petroleum (LP) gas, compressed natural gas (CNG), and liquefied natural gas (LNG) from the definition of motor fuels.
2. Provides for initial assessment within two years of receipt of the secretary's request for an assessment.
3. Provides for use of monies in the Tank Trust Fund.

DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE

DIGEST

SB 257 Reengrossed

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Present law provides for the definition of "bulk facility".

Proposed law retains present law but adds that a "bulk facility" may mean a broker, reseller, or other person that sells exclusively to another "bulk facility" and has registered and obtained a certificate from the Department of Environmental Quality (DEQ).

Present law provides for the definitions of "date of release", "motor fuels", and "regulated substance".

Proposed law provides that "regulated substance" also includes any motor fuels as determined by the secretary of DEQ.

Proposed law provides that if no specific date is determined, then the "date of release" is the date the release is reported to DEQ.

Proposed law removes provisions that if used oil is determined to be a hazardous waste by the U.S. Environmental Protection Agency, that it is not included as a "motor fuel". Provides that "motor fuels" may include any product, petroleum or petroleum blend, biofuel or any new fuel that may merge for the propulsion of motor vehicles as determined by the secretary of DEQ. Excludes liquid petroleum (LP) gas, compressed natural gas (CNG), and liquefied natural gas (LNG) from the definition of motor fuels.

Present law prohibits any person after Jan. 1, 1996, from placing or dispensing a regulated substance into an underground storage tank that has not been registered with the department.

Proposed law removes the January 1, 1996 date and provides that the present prohibition includes a person not only placing a regulated substance in a storage tank not registered with the department but that the person also does not have a current registration certificate.

Present law provides that monies deposited in the Environmental Trust Fund will be used to defray the cost to the state of administering the underground storage tank program; the cost of investigation, testing, containment, control, and cleanup of releases from underground storage tanks containing regulated substances; and to provide money or services as the state share of matching funds for federal grants. Proposed law retains these provisions.

Proposed law provides that only monies recovered from certain response actions and deposited in Tank Trust Fund be used for loans to nonpublic persons or entities, for upgrading or improving underground storage tanks to a standard dictated or recommended by federal or state environmental laws, regulations, or directives. Require the secretary of DEQ to promulgate regulations for making and administering these loans.

Present law requires DEQ to report annually the disbursements of all monies from the Tank Trust Fund and the Environmental Trust Fund to the House Committee on Natural Resources and Environment and the Senate Committee on Environmental Quality.

Proposed law retains these provisions and requires that the report must all loans made from the Tank Trust Fund.

Present law requires that beginning July 1, 2001, all interest monies earned by the Motor Fuels Underground Storage Tank Trust Fund be used for the closure of abandoned motor fuels underground storage tanks, assessment and remediation of property contaminated by abandoned motor fuel underground storage tanks.

Proposed law removes the July 1, 2001, date and requires that monies earned by the Motor Fuels Underground Storage Tank Trust Fund and monies received from payments resulting from cost recovery efforts, also be used for loans to nonpublic persons or entities, for upgrading or improving underground storage tanks to a standard dictated or recommended by federal or state environmental laws, regulations, or directives.

Present law provides that a site may be declared an abandoned motor fuel underground storage tank site if certain conditions are met.

Proposed law changes "site" to "tank" and authorizes, as an additional requirement, a determination by the secretary that DEQ action is the most timely and efficient way to address conditions at the site.

Present law requires that monies expended from the Tank Trust Fund for any approved costs must be spent only up to such sums as are necessary to satisfy federal petroleum underground storage tank financial responsibility requirements or \$1,500,000, whichever is greater. Proposed law retains these provisions but provides that the amount shall include any third-party claim arising out of the release of motor fuels from the tank.

Present law prohibits the expenditure of funds from the Tank Trust Fund for new and used motor oil releases which occur prior to Sept. 6, 1991. Proposed law these provisions but allows the expenditure of funds if the secretary determines the release to have been from an abandoned motor fuel storage tank.

Present law requires that all invoices or transaction statements issued by operators of bulk facilities for the transfer of motor fuels into a cargo tank must clearly indicate whether or not the transaction was a withdrawal from bulk.

Proposed law retains present law but further requires that all records from bulk facilities be maintained for four years and be available for inspection by the department.

Present law provides for the use of certain fees and provides a cap when the fee balance equals or exceeds \$20 million.

Proposed law increases the fee balance cap from \$20 million to \$40 million and provides for the calculation of the unobligated balance in the fund.

Present law provides that when the initial site assessment has not been completed within two years, the applicant has 90 days from the completion of the initial site assessment to submit the reimbursement application.

Proposed law removes this provision and requires initial assessments to be initiated within two years from receipt of a request for assessment made by the secretary to be eligible for disbursement from the Tank Trust Fund.

Present law provides that the owner shall pay the amount required toward the satisfaction of certain third party judgments, and after payment has been made, the fund will pay the remainder of said judgment. Proposed law removes this provision.

Present law establishes the Motor Fuels Underground Storage Tank Trust Fund Advisory Board to advise the secretary with regard to implementation of the Tank Trust Fund.

Proposed law retains present law but also allows the board to advise the secretary on the issuance of loans in regard to the fund.

Proposed law provides the criteria to meet the E.P.A.'s financial requirements.

Proposed law allows the secretary or his designee to exclude any owner from coverage by the Tank Trust Fund who has consistently failed to comply with the requirements outlined in present law.

Proposed law provides that the secretary may authorize the use of any monies obtained in cost recovery actions or from interest on the Tank Trust Fund as outlined in present law and after consultation with the Tank Trust Fund Advisory Board to provide loans to nonpublic persons or entities, for upgrading or improving underground storage tanks to a standard dictated or recommended by federal or state environmental laws, regulations, or directives.

Effective August 1, 2016.

(Amends R.S. 30:2194(B)(1), (3) and (6), 2194.1, 2195(C), (E), (F)(1), (3)(intro para) and (3)(e), 2195.2(A)(1)(c)(ii), (2), (3), and (5), 2195.3(A)(1)(b), (6), and (10), 2195.4(A)(2) and (3), (B)(1), 2195.8(A) and (C), 2195.9(B), 2195.10(C), 2195.12(A); adds R.S. 30:2194(B)(8)(c) and 2195.12(E))

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