

App. p. 51, En Pass 7/2

FILED MAR 04 1992

SENATE FILE 2282
BY COMMITTEE ON ENVIRONMENT
AND ENERGY UTILITIES

App. p. 2 (p. 607)
(SUCCESSOR TO SSB 2054)
Sub for H.R. 2120

Passed Senate, Date 3/17/92 (p. 870) Passed House, Date 3/19/92 (p. 900)
Vote: Ayes 48 Nays 1 Vote: Ayes 97 Nays 0
Approved March 30, 1992 (p. 1097)

A BILL FOR

1 An Act defining administration expenses for the expenditure of
2 underground storage tank fund moneys, relating to the
3 designation of underground storage tank disposal facilities,
4 and making an appropriation.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 2282

1 Section 1. Section 455G.6, subsection 15, Code 1991, is
2 amended to read as follows:

3 15. Subject to the terms of any bond documents, moneys in
4 the fund or fund accounts may be expended for administration
5 expenses, civil penalties, moneys paid under an agreement,
6 stipulation, or settlement, and for the costs of any other
7 activities as the board may determine are necessary and
8 convenient to facilitate compliance with and to implement the
9 intent of federal laws and regulations and this chapter. For
10 purposes of this chapter, administration expenses include
11 expenses incurred by the underground storage tank section of
12 the department of natural resources in relation to tanks
13 regulated under this chapter.

14 Sec. 2. There is appropriated from the unassigned revenue
15 fund administered by the Iowa comprehensive petroleum
16 underground storage tank board, to the department of natural
17 resources for the fiscal year beginning July 1, 1992, and
18 ending June 30, 1993, the following amount, or so much thereof
19 as is necessary, to be used for the purpose designated:

20 For administration expenses of the underground storage tank
21 section of the department of natural resources:

22 \$ 136,000

23 Sec. 3. Section 455B.490, Code 1991, is repealed.

24 EXPLANATION

25 This bill defines administration expenses for the purposes
26 of expenditure of moneys from the Iowa comprehensive petroleum
27 underground storage tank fund to include moneys needed by the
28 underground storage tank section of the department of natural
29 resources to administer its portion of the underground storage
30 tank program. It appropriates \$136,000 to the department of
31 natural resources from the unassigned revenue fund
32 administered by the Iowa comprehensive petroleum underground
33 storage tank fund and repeals a requirement requiring the
34 department to designate underground storage tank disposal
35 facilities.

GROWSTAL, CH.
ROSENBERG
KERSTEN

SSB 2054
ENVIRONMENT + ENERGY
UTILITIES *Now*
SENATE/HOUSE FILE 2282
BY (PROPOSED DEPARTMENT OF NATURAL
RESOURCES BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the disposition of storage tank management
2 fees and the designation of underground storage tank disposal
3 facilities.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 455B.479, Code 1991, is amended to read
2 as follows:

3 455B.479 STORAGE TANK MANAGEMENT FEE.

4 An owner or operator of an underground storage tank shall
5 pay an annual storage tank management fee of sixty-five
6 dollars per tank of over one thousand one hundred gallons
7 capacity. ~~Twenty-three~~ Forty percent of the fees collected
8 shall be deposited in the storage tank management account of
9 the groundwater protection fund. ~~Seventy-seven~~ Sixty percent
10 of the fees collected shall be deposited in the Iowa
11 comprehensive petroleum underground storage tank fund created
12 in chapter 455G.

13 Sec. 2. Section 455E.11, subsection 2, paragraph d,
14 subparagraph (2), Code Supplement 1991, is amended to read as
15 follows:

16 (2) ~~Twenty-three~~ Forty percent of the proceeds of the fees
17 imposed pursuant to section 455B.473, subsection 5, and
18 section 455B.479 shall be deposited in the account annually,
19 ~~up-to-a-maximum-of-three-hundred-fifty-thousand-dollars. If~~
20 ~~twenty-three-percent-of-the-proceeds-exceeds-three-hundred~~
21 ~~fifty-thousand-dollars, the excess shall be deposited into the~~
22 ~~fund-created-in-section-455G.3. Three-hundred-fifty-thousand~~
23 ~~dollars is~~ These funds are appropriated from the storage tank
24 management account to the department of natural resources for
25 the administration of a state storage tank program pursuant to
26 chapter 455B, division IV, part 8, and for programs which
27 reduce the potential for harm to the environment and the
28 public health from storage tanks.

29 Sec. 3. Section 455B.490, Code 1991, is repealed.

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EXPLANATION

31 This bill increases the proportion of storage tank
32 management fees allocated to the storage tank management
33 account of the groundwater protection fund from 23 percent to
34 40 percent and decreases the amount allocated to the Iowa
35 comprehensive petroleum underground storage tank fund from 77

1 percent to 60 percent. An owner or operator of an underground
2 storage tank pays an annual fee of \$65 per tank of over 1,100-
3 gallon capacity and a notice fee of \$10 for reporting existing
4 or new tanks which are deposited in the storage tank
5 management account. The bill also repeals a provision
6 requiring the department of natural resources to designate
7 facilities for the disposal of used underground storage tanks.

8 BACKGROUND STATEMENT

9 SUBMITTED BY THE AGENCY

10 The portion of the underground storage tank program which
11 has been administered by the department of natural resources
12 has been funded primarily from the federal underground storage
13 tank grant funds that Iowa receives. Originally, these funds
14 came as 100 percent federal grants. This has now been changed
15 to require a 10 percent state match on those federal funds,
16 which are used to support staff as well as for cleanup of
17 contamination situations. State funding for underground
18 storage tank activities has been derived by allocating a
19 percentage of the state tank registration and tank management
20 fees to the department of natural resources. The current
21 allocation does not provide sufficient state moneys to match
22 all federal funds allocated to the state. These funds are
23 necessary to operate the current program as mandated by
24 federal and state law, including cleanup of contamination
25 situations not covered by state insurance or responsible
26 parties.

27 Currently, the department must designate at least two
28 facilities which will accept used underground storage tanks
29 for disposal. Several problems have arisen in implementing
30 this provision, including site selection problems, disposal
31 cost reimbursement to designated sites, and uncertainty
32 regarding legislative intent. The concern that there would be
33 no disposal options unless sites were designated has been
34 proven unfounded, as tanks are being accepted by scrap
35 dealers. In addition, uncertainty about compensation for

1 disposal has been resolved; the underground storage tank fund
2 is paying for the cost of disposal regardless of where the
3 tank is disposed. Therefore, there is no longer a need for
4 this provision.

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SENATE FILE 2282

For administration expenses of the underground storage tank section of the department of natural resources:
..... \$ 136,000
Sec. 3. Section 455B.490, Code 1991, is repealed.

AN ACT

DEFINING ADMINISTRATION EXPENSES FOR THE EXPENDITURE OF UNDERGROUND STORAGE TANK FUND MONEYS, RELATING TO THE DESIGNATION OF UNDERGROUND STORAGE TANK DISPOSAL FACILITIES, AND MAKING AN APPROPRIATION.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 455G.6, subsection 15, Code 1991, is amended to read as follows:

15. Subject to the terms of any bond documents, moneys in the fund or fund accounts may be expended for administration expenses, civil penalties, moneys paid under an agreement, stipulation, or settlement, and for the costs of any other activities as the board may determine are necessary and convenient to facilitate compliance with and to implement the intent of federal laws and regulations and this chapter. For purposes of this chapter, administration expenses include expenses incurred by the underground storage tank section of the department of natural resources in relation to tanks regulated under this chapter.

Sec. 2. There is appropriated from the unassigned revenue fund administered by the Iowa comprehensive petroleum underground storage tank board, to the department of natural resources for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

.....
MICHAEL E. GRONSTAL
President of the Senate

.....
ROBERT C. ARNOULD
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2282, Seventy-fourth General Assembly.

.....
JOHN F. DWYER
Secretary of the Senate

Approved *March 30* 1992

.....
TERRY E. BRANSTAD
Governor