

MAR 12 2003
Place On Calendar

HOUSE FILE 516
BY COMMITTEE ON ENVIRONMENTAL
PROTECTION

(SUCCESSOR TO HSB 244)

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

A BILL FOR

1 An Act relating to composition and responsibilities of the Iowa
2 comprehensive petroleum underground storage tank fund board.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 516

1 Section 1. NEW SECTION. 424.19 FUTURE REPEAL.

2 This chapter is repealed effective June 30, 2014.

3 Sec. 2. Section 455G.4, subsection 1, Code 2003, is
4 amended by adding the following new paragraph after paragraph
5 d:

6 NEW PARAGRAPH. dd. Two owners or operators appointed by
7 the governor who have been petroleum systems insureds through
8 the underground storage tank insurance fund or a successor to
9 the underground storage tank insurance fund and were insureds
10 through the insurance account of the comprehensive petroleum
11 underground storage tank fund on or before October 26, 1990.

12 Sec. 3. Section 455G.4, subsection 1, unnumbered paragraph
13 2, Code 2003, is amended to read as follows:

14 A public member appointed pursuant to paragraph "d" shall
15 not have a conflict of interest. For purposes of this section
16 a "conflict of interest" means an affiliation, within the
17 twelve months before the member's appointment, with the
18 regulated tank community, or with a person or property and
19 casualty insurer offering competitive insurance or other means
20 of financial assurance or which previously offered
21 environmental hazard insurance for a member of the regulated
22 tank community.

23 Sec. 4. Section 455G.6, Code 2003, is amended by adding
24 the following new subsection:

25 NEW SUBSECTION. 17. a. Notwithstanding any other
26 provision to the contrary, the board may enter into an
27 agreement with a successor to the underground storage tank
28 insurance board to transfer any portion or all of the
29 responsibilities of the board under sections 455G.9 and
30 455G.21 as agreed upon by the board and a successor to the
31 underground storage tank insurance board.

32 b. Notwithstanding any other provision to the contrary,
33 the board, upon a transfer of responsibilities pursuant to
34 paragraph "a", shall not be liable under this chapter for any
35 of the responsibilities transferred.

1 c. The board shall report to the legislative council by
2 the fifteenth of each month, beginning in July 2003, regarding
3 the progress of the transfer of responsibilities pursuant to
4 paragraph "a". On or before January 15, 2004, the board shall
5 prepare a report for submission to the chairperson and ranking
6 member of the natural resources and environment committee in
7 the senate and the chairperson and ranking member of the
8 environmental protection committee in the house of
9 representatives detailing the dollar amount and number of
10 sites for which responsibility has been transferred as of
11 December 31, 2003.

12 EXPLANATION

13 This bill relates to issues related to the Iowa
14 comprehensive petroleum underground storage tank fund board
15 and repeals Code chapter 424 effective June 30, 2014. Code
16 chapter 424 relates to the environmental protection charge on
17 petroleum diminution.

18 The bill adds two new members to the board. The new
19 members are appointed by the governor and are owners or
20 operators who have been petroleum systems insureds through the
21 underground storage tank insurance fund or a successor to the
22 underground storage tank insurance fund and were insureds
23 through the insurance account of the comprehensive petroleum
24 underground storage tank fund on or before October 26, 1990.

25 Currently, two public members of the board are subject to a
26 conflict of interest provision. The bill amends the conflict
27 of interest provision to make it only apply to the two public
28 members, and not apply to the two owners or operators that are
29 added to the board under the bill.

30 The bill allows the board to enter into an agreement with a
31 successor to the underground storage tank insurance board to
32 transfer any portion or all of the responsibilities of the
33 Iowa comprehensive petroleum underground storage tank fund
34 board regarding the remedial program and the marketability
35 fund. The bill provides that, upon the transfer, the board

1 shall not be liable for any of the responsibilities
2 transferred. The bill establishes reporting requirements for
3 the board relating to the transfer of responsibilities under
4 the bill.

HOUSE FILE 516

H-1073

1 Amend House File 516 as follows:

2 1. Page 1, by inserting after line 22 the
3 following:

4 "Sec. ____ . Section 455G.4, Code 2003, is amended
5 by adding the following new subsection:

6 NEW SUBSECTION. 6. REPORTING. Beginning July
7 2003, the board shall submit a written report
8 quarterly to the legislative council, the chairperson
9 and ranking member of the committee on natural
10 resources and environment in the senate, and the
11 chairperson and ranking member of the committee on
12 environmental protection in the house of
13 representatives regarding the status of the program
14 including, but not limited to, the number of open
15 claims by claim type; the number of new claims
16 submitted and the eligibility status of each claim; a
17 summary of the risk classification of open claims; the
18 status of all high risk sites including the number of
19 corrective action design reports submitted, approved,
20 and implemented; total claims reserved and total
21 claims paid; and a summary of budgets approved and
22 invoices paid for high risk site activities including
23 a breakdown by corrective action design report,
24 construction and equipment, implementation, operation
25 and maintenance, monitoring, over excavation, free
26 product recovery, site reclassification, reporting and
27 other expenses, or a similar breakdown. In each
28 report submitted by the board, the board shall include
29 an estimated timeline to complete corrective action at
30 all currently eligible high risk sites. The timeline
31 shall include the projected date when a no further
32 action designation will be obtained based upon the
33 corrective action activities approved or anticipated
34 at each site. The timeline shall be broken down in
35 quarter year increments with the number or percentage
of sites projected to be completed for each time
period. The report shall identify and report steps
taken to expedite corrective action and eliminate the
state's liability for open claims."

40 2. By renumbering as necessary.

By KLEMME of Plymouth
FORD of Polk

H-1073 FILED MARCH 18, 2003

Withdrawn 3/24/03

HOUSE FILE 516

H-1124

1 Amend House File 516 as follows:

2 1. Page 1, by striking line 7 and inserting the
3 following: "the governor. One of the owners or
4 operators appointed pursuant to this paragraph shall
5 have been a petroleum systems insured through".

6 2. Page 1, line 9, by striking the words "were
7 insureds" and inserting the following: "shall have
8 been an insured".

9 3. Page 1, line 11, by inserting after the figure
10 "1990." the following: "One of the owners or
11 operators appointed pursuant to this paragraph shall
12 be self-insured."

13 4. Page 1, by inserting after line 22 the
14 following:

15 "Sec. ____ . Section 455G.4, Code 2003, is amended
16 by adding the following new subsection:

17 NEW SUBSECTION. 6. REPORTING. Beginning July
18 2003, the board shall submit a written report
19 quarterly to the legislative council, the chairperson
20 and ranking member of the committee on natural
21 resources and environment in the senate, and the
22 chairperson and ranking member of the committee on
23 environmental protection in the house of
24 representatives regarding changes in the status of the
25 program including, but not limited to, the number of
26 open claims by claim type; the number of new claims
27 submitted and the eligibility status of each claim; a
28 summary of the risk classification of open claims; the
29 status of all claims at high-risk sites including the
30 number of corrective action design reports submitted,
31 approved, and implemented during the reporting period;
32 total moneys reserved on open claims and total moneys
33 paid on open claims; and a summary of budgets approved
34 and invoices paid for high risk site activities
35 including a breakdown by corrective action design
36 report, construction and equipment, implementation,
37 operation and maintenance, monitoring, over
38 excavation, free product recovery, site
39 reclassification, reporting and other expenses, or a
40 similar breakdown. In each report submitted by the
41 board, the board shall include an estimated timeline
42 to complete corrective action at all currently
43 eligible high-risk sites where a corrective action
44 design report has been submitted by a claimant and
45 approved during the reporting period. The timeline
46 shall include the projected year when a no further
47 action designation will be obtained based upon the
48 corrective action activities approved or anticipated
49 at each claimant site. The timeline shall be broken
50 down in annual increments with the number or

H-1124

H-1124

Page 2

1 percentage of sites projected to be completed for each
2 time period. The report shall identify and report
3 steps taken to expedite corrective action and
4 eliminate the state's liability for open claims."

5 5. By striking page 1, line 23, through page 2,
6 line 11.

7 6. By renumbering as necessary.

By KLEMME of Plymouth
GREINER of Washington

H-1124 FILED MARCH 20, 2003

Adopted 3/24/03

HOUSE FILE 516
BY COMMITTEE ON ENVIRONMENTAL
PROTECTION

(SUCCESSOR TO HSB 244)

(As Amended and Passed by the House March 24, 2003)

Passed House, Date Passed ^{4/21/03} 3/24/03 Passed Senate, Date Passed 4/10/03
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved 5/2/03

A BILL FOR

1 An Act relating to composition and responsibilities of the Iowa
2 comprehensive petroleum underground storage tank fund board.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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House Amendments _____
Deleted Language *

1 Section 1. NEW SECTION. 424.19 FUTURE REPEAL.

2 This chapter is repealed effective June 30, 2014.

3 Sec. 2. Section 455G.4, subsection 1, Code 2003, is
4 amended by adding the following new paragraph after paragraph
5 d:

6 NEW PARAGRAPH. dd. Two owners or operators appointed by
7 the governor. One of the owners or operators appointed
8 pursuant to this paragraph shall have been a petroleum systems
9 insured through the underground storage tank insurance fund or
10 a successor to the underground storage tank insurance fund and
11 shall have been an insured through the insurance account of
12 the comprehensive petroleum underground storage tank fund on
13 or before October 26, 1990. One of the owners or operators
14 appointed pursuant to this paragraph shall be self-insured.

15 Sec. 3. Section 455G.4, subsection 1, unnumbered paragraph
16 2, Code 2003, is amended to read as follows:

17 A public member appointed pursuant to paragraph "d" shall
18 not have a conflict of interest. For purposes of this section
19 a "conflict of interest" means an affiliation, within the
20 twelve months before the member's appointment, with the
21 regulated tank community, or with a person or property and
22 casualty insurer offering competitive insurance or other means
23 of financial assurance or which previously offered
24 environmental hazard insurance for a member of the regulated
25 tank community.

26 Sec. 4. Section 455G.4, Code 2003, is amended by adding
27 the following new subsection:

28 NEW SUBSECTION. 6. REPORTING. Beginning July 2003, the
29 board shall submit a written report quarterly to the
30 legislative council, the chairperson and ranking member of the
31 committee on natural resources and environment in the senate,
32 and the chairperson and ranking member of the committee on
33 environmental protection in the house of representatives
34 regarding changes in the status of the program including, but
35 not limited to, the number of open claims by claim type; the

1 number of new claims submitted and the eligibility status of
2 each claim; a summary of the risk classification of open
3 claims; the status of all claims at high-risk sites including
4 the number of corrective action design reports submitted,
5 approved, and implemented during the reporting period; total
6 moneys reserved on open claims and total moneys paid on open
7 claims; and a summary of budgets approved and invoices paid
8 for high risk site activities including a breakdown by
9 corrective action design report, construction and equipment,
10 implementation, operation and maintenance, monitoring, over
11 excavation, free product recovery, site reclassification,
12 reporting and other expenses, or a similar breakdown. In each
13 report submitted by the board, the board shall include an
14 estimated timeline to complete corrective action at all
15 currently eligible high-risk sites where a corrective action
16 design report has been submitted by a claimant and approved
17 during the reporting period. The timeline shall include the
18 projected year when a no further action designation will be
19 obtained based upon the corrective action activities approved
20 or anticipated at each claimant site. The timeline shall be
21 broken down in annual increments with the number or percentage
22 of sites projected to be completed for each time period. The
23 report shall identify and report steps taken to expedite
24 corrective action and eliminate the state's liability for open
25 claims.

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HOUSE FILE 516

S-3126

1 Amend House File 516, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 2, by inserting after line 25, the
4 following:

5 "Sec. _____. Section 455G.6, Code 2003, is amended
6 by adding the following new subsection:

7 NEW SUBSECTION. 17. The board may adopt rules
8 pursuant to chapter 17A providing for the transfer of
9 all or a portion of the liabilities of the board under
10 this chapter. Notwithstanding other provisions to the
11 contrary, the board, upon such transfer, shall not
12 maintain any duty to reimburse claimants under this
13 chapter for those liabilities transferred."

14 2. By renumbering as necessary.

By COMMITTEE ON NATURAL RESOURCES
ENVIRONMENT

HUBERT M. HOUSER, CHAIRPERSON

S-3126 FILED APRIL 2, 2003

Adopted 4/10/03

SENATE AMENDMENT TO
HOUSE FILE 516

H-1322

1 Amend House File 516, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 2, by inserting after line 25, the
4 following:

5 "Sec. _____. Section 455G.6, Code 2003, is amended
6 by adding the following new subsection:

7 NEW SUBSECTION. 17. The board may adopt rules
8 pursuant to chapter 17A providing for the transfer of
9 all or a portion of the liabilities of the board under
10 this chapter. Notwithstanding other provisions to the
11 contrary, the board, upon such transfer, shall not
12 maintain any duty to reimburse claimants under this
13 chapter for those liabilities transferred."

14 2. By renumbering as necessary.

RECEIVED FROM THE SENATE

H-1322 FILED APRIL 11, 2003

House concurred 4/24/03

Klemme, Chair
Greiner
Ford

Sub SF ed By 5/6

HSB 244

ENVIRONMENTAL PROTECTION
HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
ENVIRONMENTAL PROTECTION BILL
BY CHAIRPERSON GREINER)

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

A BILL FOR

1 An Act relating to composition and responsibilities of the Iowa
2 comprehensive petroleum underground storage tank fund board.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. 424.19 FUTURE REPEAL.

2 This chapter is repealed effective June 30, 2014.

3 Sec. 2. Section 455G.4, subsection 1, Code 2003, is
4 amended by adding the following new paragraph after paragraph
5 d:

6 NEW PARAGRAPH. dd. One owner or operator appointed by the
7 governor who has been a petroleum systems insured through the
8 underground storage tank insurance fund or a successor to the
9 underground storage tank insurance fund and was an insured
10 through the insurance account of the comprehensive petroleum
11 underground storage tank fund on or before October 26, 1990.

12 Sec. 3. Section 455G.4, subsection 1, unnumbered paragraph
13 2, Code 2003, is amended to read as follows:

14 A public member appointed pursuant to paragraph "d" shall
15 not have a conflict of interest. For purposes of this section
16 a "conflict of interest" means an affiliation, within the
17 twelve months before the member's appointment, with the
18 regulated tank community, or with a person or property and
19 casualty insurer offering competitive insurance or other means
20 of financial assurance or which previously offered
21 environmental hazard insurance for a member of the regulated
22 tank community.

23 Sec. 4. Section 455G.6, Code 2003, is amended by adding
24 the following new subsection:

25 NEW SUBSECTION. 17. a. Notwithstanding any other
26 provision to the contrary, the board may enter into an
27 agreement with a successor to the underground storage tank
28 insurance board to transfer any portion or all of the
29 responsibilities of the board under sections 455G.9 and
30 455G.21 as agreed upon by the board and a successor to the
31 underground storage tank insurance board.

32 b. Notwithstanding any other provision to the contrary,
33 the board, upon a transfer of responsibilities pursuant to
34 paragraph "a", shall not be liable under this chapter for any
35 of the responsibilities transferred.

1 c. The board shall report to the legislative council by
2 the fifteenth of each month, beginning in July 2003, regarding
3 the progress of the transfer of responsibilities pursuant to
4 paragraph "a". On or before January 15, 2004, the board shall
5 prepare a report for submission to the chairperson and ranking
6 member of the natural resources and environment committee in
7 the senate and the chairperson and ranking member of the
8 environmental protection committee in the house of
9 representatives detailing the dollar amount and number of
10 sites for which responsibility has been transferred as of
11 December 31, 2003.

12

EXPLANATION

13 This bill relates to issues related to the Iowa
14 comprehensive petroleum underground storage tank fund board
15 and repeals Code chapter 424 effective June 30, 2014. Code
16 chapter 424 relates to the environmental protection charge on
17 petroleum diminution.

18 The bill adds one new member to the board. The new member
19 is appointed by the governor and is an owner or operator who
20 has been a petroleum systems insured through the underground
21 storage tank insurance fund or a successor to the underground
22 storage tank insurance fund and was an insured through the
23 insurance account of the comprehensive petroleum underground
24 storage tank fund on or before October 26, 1990.

25 Currently, two public members of the board are subject to a
26 conflict of interest provision. The bill amends the conflict
27 of interest provision to make it only apply to the two public
28 members, and not apply to the two owners or operators that are
29 added to the board under the bill.

30 The bill allows the board to enter into an agreement with a
31 successor to the underground storage tank insurance board to
32 transfer any portion or all of the responsibilities of the
33 Iowa comprehensive petroleum underground storage tank fund
34 board regarding the remedial program and the marketability
35 fund. The bill provides that, upon the transfer, the board

1 shall not be liable for any of the responsibilities
2 transferred. The bill establishes reporting requirements for
3 the board relating to the transfer of responsibilities under
4 the bill.

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AN ACT
RELATING TO COMPOSITION AND RESPONSIBILITIES OF THE IOWA
COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND BOARD.

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

Section 1. NEW SECTION. 424.19 FUTURE REPEAL.

This chapter is repealed effective June 30, 2014.

Sec. 2. Section 455G.4, subsection 1, Code 2003, is amended by adding the following new paragraph after paragraph d:

NEW PARAGRAPH. dd. Two owners or operators appointed by the governor. One of the owners or operators appointed pursuant to this paragraph shall have been a petroleum systems insured through the underground storage tank insurance fund or a successor to the underground storage tank insurance fund and shall have been an insured through the insurance account of the comprehensive petroleum underground storage tank fund on or before October 26, 1990. One of the owners or operators appointed pursuant to this paragraph shall be self-insured.

Sec. 3. Section 455G.4, subsection 1, unnumbered paragraph 2, Code 2003, is amended to read as follows:

A public member appointed pursuant to paragraph "d" shall not have a conflict of interest. For purposes of this section a "conflict of interest" means an affiliation, within the twelve months before the member's appointment, with the regulated tank community, or with a person or property and casualty insurer offering competitive insurance or other means of financial assurance or which previously offered environmental hazard insurance for a member of the regulated tank community.

Sec. 4. Section 455G.4, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 6. REPORTING. Beginning July 2003, the board shall submit a written report quarterly to the legislative council, the chairperson and ranking member of the committee on natural resources and environment in the senate, and the chairperson and ranking member of the committee on environmental protection in the house of representatives regarding changes in the status of the program including, but not limited to, the number of open claims by claim type; the number of new claims submitted and the eligibility status of each claim; a summary of the risk classification of open claims; the status of all claims at high-risk sites including the number of corrective action design reports submitted, approved, and implemented during the reporting period; total moneys reserved on open claims and total moneys paid on open claims; and a summary of budgets approved and invoices paid for high risk site activities including a breakdown by corrective action design report, construction and equipment, implementation, operation and maintenance, monitoring, over excavation, free product recovery, site reclassification, reporting and other expenses, or a similar breakdown. In each report submitted by the board, the board shall include an estimated timeline to complete corrective action at all currently eligible high-risk sites where a corrective action design report has been submitted by a claimant and approved during the reporting period. The timeline shall include the projected year when a no further action designation will be obtained based upon the corrective action activities approved or anticipated at each claimant site. The timeline shall be broken down in annual increments with the number or percentage of sites projected to be completed for each time period. The report shall identify and report steps taken to expedite corrective action and eliminate the state's liability for open claims.

Sec. 5. Section 455G.6, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 17. The board may adopt rules pursuant to chapter 17A providing for the transfer of all or a portion of the liabilities of the board under this chapter.

Notwithstanding other provisions to the contrary, the board, upon such transfer, shall not maintain any duty to reimburse claimants under this chapter for those liabilities transferred.

CHRISTOPHER C. RANTS
Speaker of the House

MARY E. KRAMER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 516, Eightieth General Assembly.

MARGARET THOMSON
Chief Clerk of the House

Approved _____, 2003

THOMAS J. VILSACK
Governor