

House File 2122 - Introduced

HOUSE FILE 2122

BY ISENHART

A BILL FOR

1 An Act providing for the establishment of a crude oil disaster
2 prevention and response fund, establishing fees, and making
3 an appropriation.

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

1 Section 1. NEW SECTION. 455B.702 Crude oil disaster
2 prevention and response fund.

3 1. A crude oil disaster prevention and response fund is
4 created within the state treasury under the control of the
5 department of natural resources consisting of moneys received
6 in the form of crude oil disaster prevention and response
7 fees as provided in section 455B.703. Moneys in the fund are
8 appropriated to the department for the purposes specified in
9 subsection 3.

10 2. Notwithstanding section 12C.7, subsection 2, interest or
11 earnings on moneys in the fund shall be credited to the fund.
12 Notwithstanding section 8.33, moneys credited to the fund that
13 remain unexpended or unobligated at the end of a fiscal year
14 shall not revert to any other fund.

15 3. The director may use moneys deposited in the fund for any
16 of the following purposes:

17 a. For railroad, highway, and bridge safety inspections in
18 collaboration with the department of transportation.

19 b. For transfer to the department of commerce revolving
20 fund created in section 546.12 to supplement amounts received
21 for hazardous liquid pipeline safety inspections pursuant to
22 section 479B.11.

23 c. For the control, abatement, and prevention of hazardous
24 conditions resulting from the accidental discharge of crude
25 oil being transported through the state, including but not
26 limited to emergency responder training and equipment, and
27 prevention, response, cleanup, and mitigation efforts. The
28 director shall make all reasonable efforts to recover the
29 full amount of moneys expended from the fund for prevention,
30 response, cleanup, and mitigation efforts through litigation or
31 cooperative agreements with responsible persons, with moneys
32 recovered deposited with the treasurer of state and credited to
33 the crude oil disaster prevention and response fund.

34 Sec. 2. NEW SECTION. 455B.703 Crude oil disaster prevention
35 and response fee.

1 A crude oil disaster prevention and response fee shall be
2 payable by the owner or operator of a pipeline company, as
3 defined in section 479B.2, in an amount equal to twenty-four
4 ten-thousandths of one cent per gallon of crude oil transported
5 out of the state by pipeline, rail, truck, or other means,
6 whether extracted in or out of the state. The director shall
7 establish by rule procedures for collection of the fees. Fees
8 collected pursuant to this section shall be deposited in the
9 crude oil disaster prevention and response fund created in
10 section 455B.702.

11

EXPLANATION

12 The inclusion of this explanation does not constitute agreement with
13 the explanation's substance by the members of the general assembly.

14 This bill relates to the transporting of crude oil through
15 Iowa by establishing a crude oil disaster prevention and
16 response fee and fund.

17 The bill creates the crude oil disaster prevention and
18 response fund in the state treasury under the control of the
19 department of natural resources. The bill appropriates moneys
20 deposited in the fund to the department and provides that the
21 director of the department may use moneys deposited in the fund
22 for any of several purposes, including for providing railroad,
23 highway, and bridge safety inspections in collaboration
24 with the department of transportation, for transfer to the
25 department of commerce revolving fund to supplement hazardous
26 pipeline inspection fees received pursuant to Code section
27 479B.11, and for the control, abatement, and prevention of
28 hazardous conditions resulting from the accidental discharge of
29 crude oil being transported through the state, including but
30 not limited to emergency responder training and equipment, and
31 disaster prevention, response, and mitigation efforts.

32 With regard to prevention, response, cleanup, and mitigation
33 efforts, the bill provides that the director shall make
34 all reasonable efforts to recover the full amount of moneys
35 expended from the fund for response, cleanup, and mitigation

1 efforts through litigation or cooperative agreements with
2 responsible persons, with moneys recovered credited to the
3 crude oil disaster prevention and response fund.

4 The bill establishes a crude oil disaster prevention and
5 response fee payable by the owner or operator of a pipeline
6 company, as defined in Code section 479B.2, in an amount equal
7 to 0.0024 of 1 cent per gallon of crude oil transported out of
8 the state by pipeline, rail, truck, or other means, whether
9 extracted in or out of the state. The bill provides that the
10 director shall establish by rule procedures for collection of
11 the fees, and that the fees shall be deposited in the crude oil
12 disaster prevention and response fund.