House Study Bill 170 - Introduced

HOUSE FILE

BY (PROPOSED COMMITTEE ON NATURAL RESOURCES BILL BY CHAIRPERSON MOORE)

A BILL FOR

An Act relating to underground storage tanks, including by
 establishing an underground storage tank cost share grant
 program and fund and making an appropriation.
 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 321.145, subsection 2, paragraph a,
 subparagraph (1), Code 2015, is amended to read as follows:
 (1) First, three one million five hundred seven hundred
 fifty thousand dollars per quarter shall be deposited into
 and credited to the Iowa comprehensive petroleum underground
 storage tank fund created in section 455G.3, and the moneys so
 deposited are a continuing appropriation for expenditure under
 chapter 455G, and moneys so appropriated shall not be used for
 other purposes.

Sec. 2. Section 321.145, subsection 2, paragraph a, Code 2015, is amended by adding the following new subparagraph:
<u>NEW SUBPARAGRAPH</u>. (3) Third, one million seven hundred 13 fifty thousand dollars per quarter shall be deposited into 14 and credited to the underground storage tank cost share 15 grant program fund created in section 455G.6A. The moneys so 16 deposited are a continuing appropriation for expenditure under 17 that section and shall not be used for other purposes. Sec. 3. Section 424.19, Code 2015, is amended to read as

19 follows:

20 424.19 Future repeal.

This chapter is repealed effective June 30, 2016 2026.
Sec. 4. Section 455G.4, subsection 1, paragraph a,
subparagraph (5), Code 2015, is amended to read as follows:
(5) Three Five owners, consultants, or operators appointed
by the governor, two of which shall to be designated as
follows:

27 (a) One member shall be an owner or operator who is28 self-insured.

29 (b) One member <u>Two members</u> shall be <u>a member members</u> of 30 the petroleum marketers and convenience stores of Iowa or its 31 designee.

32 (c) One member shall be a member of the Iowa petroleum 33 equipment contractors association or its designee.

34 Sec. 5. <u>NEW SECTION</u>. 455G.6A Underground storage tank cost 35 share grant program and fund.

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For purposes of this section, "grant program fund" means
 the underground storage tank cost share grant program fund
 established by this section.

An underground storage tank cost share grant program fund
is created as a separate fund in the state treasury under the
control of the board. The grant program fund is separate from
the general fund of the state.

8 3. *a.* The grant program fund is composed of moneys 9 deposited in the fund pursuant to section 321.145, subsection 10 2, paragraph "*a*", subparagraph (3), other moneys appropriated 11 by the general assembly for deposit in the grant program fund, 12 and moneys available to and obtained or accepted by the board 13 from the United States government or private sources for 14 placement in the grant program fund.

b. The recapture of awards or penalties, or other repayments
of moneys originating from the grant program fund, shall be
17 deposited into the grant program fund.

18 c. Notwithstanding section 12C.7, interest or earnings on 19 moneys in the grant program fund shall be credited to the grant 20 program fund.

21 d. Notwithstanding section 8.33, unencumbered and 22 unobligated moneys remaining in the grant program fund at the 23 close of each fiscal year shall not revert but shall remain 24 available in the grant program fund for the purposes of this 25 section.

26 4. The grant program fund shall be administered by the27 board.

5. Moneys in the grant program fund are appropriated to and shall be used by the board as provided in this subsection. *a.* Up to fifty thousand dollars shall be allocated each fiscal year to the board to support the administration of the grant program. The board may use up to one and one-half percent of the moneys in the grant program fund each fiscal year to market the grant program. Otherwise the moneys shall not be transferred, used, obligated, appropriated, or otherwise

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1 encumbered except to allocate as grants by the board in 2 accordance with this subsection.

b. The board shall establish a grant program to award grants from moneys in the grant program fund to eligible applicants to replace underground storage tank infrastructure, including but not limited to tanks, lines, pipes, hoses, connections, seals, and pumps.

8 (1) The board shall adopt rules pursuant to chapter 17A 9 for implementation and administration of the grant program and 10 grant program fund, including regarding the eligibility of 11 grant applicants.

12 (2) At a minimum, replacement infrastructure must be listed 13 by an independent testing laboratory as compatible for use with 14 ethanol blended gasoline classified as E-85.

15 (3) An eligible applicant may be awarded a grant worth up 16 to fifty percent of the cost to replace infrastructure, with a 17 maximum grant of one hundred thousand dollars.

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EXPLANATION

19The inclusion of this explanation does not constitute agreement with20the explanation's substance by the members of the general assembly.

21 This bill creates an underground storage tank cost share 22 grant program and a corresponding fund within the state 23 treasury in Code chapter 455G. The grant program fund shall 24 be credited \$1.75 million per quarter from the statutory 25 allocations fund pursuant to Code section 321.145. The grant 26 program fund shall be administered by the Iowa comprehensive 27 petroleum underground storage tank fund board. The grant 28 program funds shall be allocated as grants by the board to 29 replace underground storage tank infrastructure, including but 30 not limited to tanks, lines, pipes, hoses, connections, seals, 31 and pumps. At a minimum, replacement infrastructure must be 32 listed by an independent testing laboratory as compatible 33 for use with ethanol blended gasoline classified as E-85. 34 An eligible applicant may be awarded a grant worth up to 50 35 percent of the cost to replace infrastructure, with a maximum

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1 grant of \$100,000. The bill requires the Iowa comprehensive 2 petroleum underground storage tank fund board to adopt rules to 3 implement and administer the grant program and fund.

4 The bill changes the amount credited from the statutory 5 allocations fund to the Iowa comprehensive petroleum 6 underground storage tank fund per quarter from \$3.5 million to 7 \$1.75 million.

8 The bill extends the duration of the environmental 9 protection charge on petroleum diminution collected from 10 underground storage tank owners or operators until June 30, 11 2026.

12 The bill increases from three to five the number of seats 13 on the Iowa comprehensive petroleum underground storage tank 14 fund board filled by owners or operators of underground storage 15 tanks and adds consultants to the possible persons who may fill 16 those five seats.

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