

Underground Storage Tank Fund, Use of Moneys Bill Senate File 2414

Last Action:
Senate Appropriations
Committee
March 19, 2024

Executive Summary Only

An Act relating to underground storage tanks, including repealing the Iowa Comprehensive Petroleum Underground Storage Tank Fund and eliminating the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board, making appropriations, and including effective date and transition provisions.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available online at www.legis.iowa.gov/publications/information/appropriationBillAnalysis

LSA Staff Contact: Austin Brinks (515.725.2200)

EXECUTIVE SUMMARY

SENATE FILE 2414

UNDERGROUND STORAGE TANK FUND, USE OF MONEYS BILL

NEW PROGRAMS, SERVICES, OR ACTIVITIES

Requires the Department of Natural Resources (DNR) to establish and administer a Storage Tank Management Account Financing Program to reimburse eligible claimants for corrective action for petroleum releases previously eligible for payment from the Iowa Comprehensive Petroleum Underground Storage Tank (UST) Fund, and provides guidelines for the Program. The DNR will distribute up to \$1.0 million in financial assistance.

Page 2, Line 12

FUNDING FOR PROJECTS AND PROGRAMS

Transfers moneys from the Iowa Comprehensive UST Fund to the Storage Tank Management Account of the Groundwater Protection Fund (GWPF). Moneys transferred are to be used for the following purposes:

Page 9, Line 17

- To reimburse tank owners or operators for all or part of the costs of a corrective action for a petroleum release.
- For the annual appropriation of \$250,000 to the Iowa Department of Agriculture and Land Stewardship (IDALS) for fuel quality inspections at pipeline terminals and renewable fuel production facilities.
- For the permanent closure of an underground storage tank system, for additional assessment and corrective action arising out of releases at sites for which a certificate for no further action has been issued, and for tank operator training. Requires at least \$3.0 million of the moneys expended from the Account to be used for these purposes, but no more than \$50,000 of the \$3.0 million can be utilized for tank operator training per year.

Allows any moneys remaining in the Account to be appropriated to the DNR for the administration of a State Storage Tank Program.

Page 10, Line 5

SIGNIFICANT CODE CHANGES

Repeals the definitions of "board" and "fund" in Iowa Code section [455B.471](#).

Page 1, Line 3

Adds definitions to Iowa Code section 455B.471.

Page 1, Line 5

Provides guidelines for cost recovery related to corrective actions where moneys from either the Storage Tank Management Account or the Iowa Comprehensive Petroleum UST Fund were expended.

Page 3, Line 26

Allows the Natural Resource Commission (NRC) to adopt administrative rules for the administration of the Storage Tank Management Account.

Page 6, Line 20

EXECUTIVE SUMMARY

SENATE FILE 2414

UNDERGROUND STORAGE TANK FUND, USE OF MONEYS BILL

Updates references in Iowa Code to conform with this Bill. Page 7, Line 4

Requires the NRC to adopt administrative rules for DNR practices and procedures for implementing and administering the Storage Tank Management Account Financing Program. Page 8, Line 8

Requires civil penalties and federal funds to be deposited into the Storage Tank Management Account of the GWPF. Page 8, Line 21

Repeals various Iowa Code sections related to the Iowa Comprehensive UST Fund and Board. Page 10, Line 15

Division II provides conforming changes to Iowa Code. Page 10, Line 19

Division III transfers the remaining moneys in the Iowa Comprehensive Petroleum UST Fund to the Storage Tank Management Account of the GWPF. Page 12, Line 23

Allows the DNR to begin implementation of this Bill prior to July 1, 2024. Page 13, Line 20

Requires all property tax credits provided under Iowa Code chapter [427B](#) that exist upon the repeal of Iowa Code sections [427B.20](#), [427B.21](#), and [427B.22](#) to continue until their expiration. Page 13, Line 28

EFFECTIVE DATE

Division III is effective upon enactment. Page 13, Line 31