

CHAPTER 1094**PETROLEUM STORAGE TANKS —
CLOSURES AND UPGRADES — REIMBURSEMENT***H.F. 2401*

AN ACT relating to the comprehensive petroleum underground storage tank fund and providing an effective date.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 455G.2, Code 2003, is amended by adding the following new subsections:

NEW SUBSECTION. 0A. "Aboveground petroleum storage tank" means the same as defined in section 101.21.

NEW SUBSECTION. 0B. "Aboveground petroleum storage tank site" means the same as "tank site" as defined in section 101.21, subsection 8.

Sec. 2. Section 455G.3, subsection 3, Code Supplement 2003, is amended by adding the following new paragraph:

NEW PARAGRAPH. e. To establish an aboveground petroleum storage tank fund as provided in section 455G.23.

Sec. 3. Section 455G.9, subsection 1, Code Supplement 2003, is amended by adding the following new paragraph:

NEW PARAGRAPH. 1. Costs for the permanent closure of an underground storage tank system that was in place on the date an eligible claim was submitted under paragraph "a". Reimbursement is limited to costs approved by the board prior to the closure activities and the closure activities must be completed not later than December 31, 2005.

Sec. 4. NEW SECTION. 455G.23 ABOVEGROUND PETROLEUM STORAGE TANK FUND.

1. An aboveground petroleum storage tank fund is created as a separate fund in the state treasury under the control of the board. The board shall administer the aboveground petroleum storage tank fund. Notwithstanding section 8.33, moneys remaining in the aboveground petroleum storage tank fund at the end of each fiscal year shall not revert to the general fund but shall remain in the aboveground petroleum storage tank fund. The aboveground petroleum storage tank fund shall include, notwithstanding section 12C.7, interest earned by the aboveground petroleum storage tank fund or other income specifically allocated to the aboveground petroleum storage tank fund.

2. The board may reimburse the owner of an aboveground petroleum storage tank site up to twenty-five thousand dollars per site, but not more than a total of one hundred thousand dollars per owner, for the upgrade or permanent closure of the aboveground petroleum storage tank site provided all of the following criteria are met:

a. By January 1, 2004, the aboveground petroleum storage tank site was registered with the state fire marshal pursuant to section 101.22.

b. The aboveground petroleum storage tank contains petroleum as defined in section 455B.471.

c. Not later than February 18, 2005, the owner shall submit an application for reimbursement, on a form provided by the board.

d. Upgrade expenses must be incurred after January 1, 2004, and not later than February 18, 2005. Upgrade activities are limited to the installation or improvement of equipment or systems required to comply with 40 C.F.R. § 112, specifically:

- (1) Secondary containment.
- (2) Corrosion protection.
- (3) Loss prevention.
- (4) Security.
- (5) Drainage.
- (6) Removal of noncompliant tanks.

e. Permanent closure activities, including tank system removal, decommission, and disposal, must occur after January 1, 2004, and not later than February 18, 2005, unless the owner is a party to an agreement entered into pursuant to subsection 3 and the tanks meet one of the following criteria:

- (1) All tanks are empty by February 18, 2005.
- (2) All tanks containing petroleum on or after February 18, 2005, meet the requirements of 40 C.F.R. § 112 et seq. and any applicable provisions of chapter 101 and the administrative rules adopted pursuant to chapter 101.
3. The board, or a contractor approved under subsection 6, may enter into contracts with qualified businesses to provide permanent closure services at eligible aboveground petroleum storage tank sites. The board or a contractor may limit reimbursement to those activities approved under the terms of the contracts. The board or a contractor may allow permanent closure activities to occur and be reimbursed after February 18, 2005, at those tank sites where the owner timely applied for reimbursement and agreed to allow the board or a contractor to complete the permanent closure at a time determined to be convenient to the board. All activities conducted under this subsection must be completed by December 31, 2006.
4. The board may enter into an agreement authorized under chapter 28E with the state fire marshal for the development and maintenance of a database to track registration, technical information, and other information determined necessary to evaluate the operation and safety of aboveground petroleum storage tank sites in Iowa.
5. The board may limit reimbursement to those activities that receive prior budget approval from the board.
6. The board may enter into a contract with a qualified business to provide for administration of this section.
7. This section is repealed December 31, 2006.

Sec. 5. Sections 1, 2, and 3 of this Act are repealed December 31, 2006.

Sec. 6. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved April 20, 2004