By: Isett

H.B. No. 3554

A BILL TO BE ENTITLED 1 AN ACT 2 relating to the program for the regulation and remediation of 3 underground and aboveground storage tanks. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 SECTION 1. Section 26.351, Water Code, is amended by 5 6 amending Subsections (a) and (f) and adding Subsection (i) to read as follows: 7 (a) The commission shall <u>use risk-based corrective action</u> 8 [adopt rules establishing the requirements] for taking corrective 9 action in response to a release from an underground or aboveground 10 11 storage tank. Corrective action may include: 12 (1) site cleanup, including the removal, treatment, 13 and disposal of surface and subsurface contamination; 14 (2) removal of underground or aboveground storage 15 tanks; measures to halt a release in progress or to 16 (3) prevent future or threatened releases of regulated substances; 17 18 (4) well monitoring, taking of soil borings, and any other actions reasonably necessary to determine the extent of 19 contamination caused by a release; 20 21 (5) providing alternate water supplies; and 22 (6) any other action reasonably necessary to protect the public health and safety or the environment from harm or 23 threatened harm due to releases of regulated substances from 24

1 underground or aboveground storage tanks.

2 (f) The person performing corrective action under this
3 section, if the release was reported to the commission on or before
4 December 22, 1998, shall meet the following deadlines:

5 (1) a complete site assessment and risk assessment 6 (including, but not limited to, risk-based criteria for 7 establishing target concentrations), as determined by the 8 executive director, must be received by the agency no later than 9 September 1, 2002;

(2) a complete corrective action plan, as determined 10 by the executive director and including, but not limited to, 11 completion of pilot studies and recommendation of a cost-effective 12 and technically appropriate remediation methodology, must be 13 14 received by the agency no later than September 1, 2003. The person 15 may, in lieu of this requirement, submit by this same deadline a demonstration that a corrective action plan is not required for the 16 17 site in question under commission rules. Such demonstration must be to the executive director's satisfaction; 18

(3) for those sites found under Subdivision (2) to require a corrective action plan, that plan must be initiated and proceeding according to the requirements and deadlines in the approved plan no later than March 1, 2004;

(4) for sites which require either a corrective action plan or groundwater monitoring, a comprehensive and accurate annual status report concerning those activities must be submitted to the agency;

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(5) for sites which require either a corrective action

1 plan or groundwater monitoring, all deadlines set by the executive 2 director concerning the corrective action plan or approved 3 groundwater monitoring plan shall be met; and

(6) for sites that require either a corrective action
plan or groundwater monitoring, have met all other deadlines under
this subsection, and have submitted annual progress reports that
demonstrate progress toward meeting closure requirements, a site
closure request must be submitted to the executive director no
later than September 1, 2011 [2007]. The request must be complete,
as judged by the executive director.

11 (i) The commission shall by rule define "risk-based 12 corrective action" for purposes of this section.

13 SECTION 2. Sections 26.3573(r-1) and (s), Water Code, are 14 amended to read as follows:

15 (r-1) In this subsection, "state-lead program" means the petroleum storage tank state-lead program administered by the 16 17 commission. The executive director shall grant an extension for corrective action reimbursement to a person who is an eligible 18 owner or operator under Section 26.3571. The petroleum storage 19 tank remediation account may be used to reimburse an eligible owner 20 or operator for corrective action performed under an extension 21 before August 31, 2011 [2007]. Not later than July 1, 2011 [2007], 22 an eligible owner or operator who is granted an extension under this 23 24 subsection may apply to the commission in writing using a form provided by the commission to have the site subject to corrective 25 26 action placed in the state-lead program. The eligible owner or 27 operator must agree in the application to allow site access to state

1 personnel and state contractors as a condition of placement in the 2 state-lead program under this subsection. On receiving the application for placement in the state-lead program under this 3 4 subsection, the executive director by order shall place the site in 5 the state-lead program until the corrective action is completed to the satisfaction of the commission. An eligible owner or operator 6 7 of a site that is placed in the state-lead program under this 8 subsection is not liable to the commission for any costs related to 9 the corrective action.

10 (s) The petroleum storage tank remediation account may not 11 be used to reimburse any person for corrective action contained in a 12 reimbursement claim filed with the commission after March 1, <u>2012</u> 13 [<u>2008</u>].

SECTION 3. Section 26.3574(b), Water Code, is amended to read as follows:

(b) A fee is imposed on the delivery of a petroleum product on withdrawal from bulk of that product as provided by this subsection. Each operator of a bulk facility on withdrawal from bulk of a petroleum product shall collect from the person who orders the withdrawal a fee in an amount determined as follows:

(1) <u>\$3.75</u> [<del>\$12.50</del>] for each delivery into a cargo tank having a capacity of less than 2,500 gallons for the state fiscal year beginning September 1, <u>2007</u> [<del>2001, and the state fiscal year</del> beginning September 1, 2002; and \$10.00 for each delivery into a cargo tank having a capacity of less than 2,500 gallons for the state fiscal year beginning September 1, 2003</del>], through the state fiscal year ending August 31, <u>2011</u> [<del>2007</del>];

<u>\$7.50</u> [<del>\$25.00</del>] for each delivery into a cargo tank 1 (2) having a capacity of 2,500 gallons or more but less than 5,000 2 gallons for the state fiscal year beginning September 1, 2007 3 4 [2001, and the state fiscal year beginning September 1, 2002; and \$20.00 for each delivery into a cargo tank having a capacity of 5 6 2,500 gallons or more but less than 5,000 gallons for the state fiscal year beginning September 1, 2003], through the state fiscal 7 8 year ending August 31, 2011 [2007];

<u>\$11.75</u> [<del>\$37.50</del>] for each delivery into a cargo 9 (3) tank having a capacity of 5,000 gallons or more but less than 8,000 10 gallons for the state fiscal year beginning September 1, 2007 11 [2001, and the state fiscal year beginning September 1, 2002; and 12 \$30.00 for each delivery into a cargo tank having a capacity of 13 5,000 gallons or more but less than 8,000 gallons for the state 14 fiscal year beginning September 1, 2003], through the state fiscal 15 year ending August 31, 2011 [2007]; 16

\$15.00 [<del>\$50.00</del>] for each delivery into a cargo 17 (4) tank having a capacity of 8,000 gallons or more but less than 10,000 18 gallons for the state fiscal year beginning September 1, 2007 19 20 [2001, and the state fiscal year beginning September 1, 2002; and 21 \$40.00 for each delivery into a cargo tank having a capacity of 8,000 gallons or more but less than 10,000 gallons for the state 22 fiscal year beginning September 1, 2003], through the state fiscal 23 24 year ending August 31, 2011 [2007]; and

(5) \$7.50 [a \$25.00 fee] for each increment of 5,000
gallons or any part thereof delivered into a cargo tank having a
capacity of 10,000 gallons or more for the state fiscal year

beginning September 1, <u>2007</u> [<del>2001, and the state fiscal year</del> beginning September 1, 2002; and \$20.00 for each increment of 5,000 gallons or any part thereof delivered into a cargo tank having a capacity of 10,000 gallons or more for the state fiscal year beginning September 1, 2003], through the state fiscal year ending August 31, <u>2011</u> [<del>2007</del>].

7 SECTION 4. Sections 26.358(d) and (g), Water Code, are 8 amended to read as follows:

The commission may [shall] impose an annual facility fee 9 (d) on a facility that operates one or more underground or aboveground 10 storage tanks if the fee charged under Section 26.3574 is 11 discontinued. The commission may also impose reasonable interest 12 and penalties for late payment of the fee as provided by commission 13 14 rule. The commission may establish a fee schedule that will 15 generate an amount of money sufficient to fund the commission's budget for the regulatory program regarding underground and 16 17 aboveground storage tanks authorized by this subchapter.

(g) The commission shall collect <u>any</u> [the] fees imposed
under this section on dates set by commission rule. The period
between collection dates may not exceed two years.

21 SECTION 5. Section 26.361, Water Code, is amended to read as 22 follows:

23 Sec. 26.361. EXPIRATION OF REIMBURSEMENT PROGRAM. 24 Notwithstanding any other provision of this subchapter, the 25 reimbursement program established under this subchapter expires 26 September 1, <u>2012</u> [<del>2008</del>]. On or after September 1, <u>2012</u> [<del>2008</del>], the 27 commission may not use money from the petroleum storage tank

1 remediation account to reimburse an eligible owner or operator for 2 any expenses of corrective action or to pay the claim of a person 3 who has contracted with an eligible owner or operator to perform 4 corrective action.

5 SECTION 6. (a) Section 26.3573(r-1), Water Code, as 6 amended by this Act, takes effect immediately if this Act receives a 7 vote of two-thirds of all the members elected to each house, as 8 provided by Section 39, Article III, Texas Constitution. If this 9 Act does not receive the vote necessary for immediate effect, 10 Section 26.3573(r-1), Water Code, as amended by this Act, takes 11 effect August 27, 2007.

12 (b) Except as provided by Subsection (a) of this section,13 this Act takes effect September 1, 2007.