

HOUSE BILL NO. 432

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE HOUSE RESOURCES COMMITTEE

Introduced: 3/8/00

Referred: Resources, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act extending the termination date of the Board of Storage Tank Assistance;
2 expanding the authority of the board to issue recommendations concerning cleanup
3 decisions; and providing for an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 44.66.010(a)(18) is amended to read:

6 (18) Board of Storage Tank Assistance (AS 46.03.360) -- June 30, **2003**
7 [1999];

8 * **Sec. 2.** AS 46.03.420(c) is amended to read:

9 (c) An owner or operator of an underground petroleum storage tank system is
10 not eligible for a grant or loan under this section for activities related to a release
11 unless the release occurs before December 22, 1993, and the owner or operator

12 (1) establishes the following to the department's reasonable satisfaction:

13 (A) the owner or operator reported the release to the department
14 in compliance with state and federal law before July 1, 1994, for a release that

1 the owner or operator establishes first occurred on or after September 5, 1990,
2 and before December 22, 1993;

3 (B) the owner or operator promptly reported the release to the
4 department in compliance with applicable regulations;

5 (C) the tank or tank system from which the release occurred
6 was installed before December 22, 1988;

7 (D) the owner and operator have, within six months after
8 September 5, 1990, been in compliance with all state and federal laws
9 applicable to underground petroleum storage tank systems and releases from
10 them, including notification and registration laws, but excluding financial
11 responsibility requirements;

12 (E) the release was not a result of the owner's or operator's
13 gross negligence, recklessness, or intentional conduct;

14 (2) agrees to

15 (A) upgrade all underground petroleum storage tanks located at
16 the facility from which the release occurred to the standards set by state and
17 federal regulations according to a time line established by the department;
18 notwithstanding (g) of this section and AS 46.03.365(c), the department may
19 require upgrading under this subparagraph that is required earlier than that
20 required under federal law; or

21 (B) remove and properly dispose of all liquids and sludges from
22 the underground petroleum storage tanks located at the facility from which the
23 release occurred, conduct a site assessment, and either fill the tanks with inert
24 solid material or properly dismantle, remove, and dispose of the tanks in
25 accordance with applicable state and federal regulations;

26 (3) agrees to submit a plan for risk assessment, containment, corrective
27 action, and cleanup to the department for its review and approval; if the department
28 and the owner or operator cannot reach agreement on a plan, [OR] on later changes
29 in the plan, **or on a cleanup decision**, the owner or operator may apply to the board
30 to review the dispute; the board may issue a recommendation to the department in a
31 dispute brought to it under this paragraph; **the recommendation may include a**

1 suggested time limit for completing appropriate cleanup activities or reaching a
 2 cleanup decision; and

3 (4) certifies under oath and subject to penalty for perjury, on a form
 4 required by the department, that the tangible net worth of the operator is \$1,000,000
 5 or less as of July 1, 1999, and, unless the tank is owned by the state or a municipality,
 6 that the net worth of the owner is \$1,000,000 or less as of July 1, 1999.

7 * **Sec. 3.** AS 46.03.422(a) is amended to read:

8 (a) The commissioner may make a loan from the storage tank assistance fund
 9 to an owner or operator of an underground petroleum storage tank system for the costs
 10 of risk assessment, containment, corrective action, and cleanup resulting from a release
 11 of petroleum from or associated with an underground petroleum storage tank system
 12 if the owner or operator submitted a timely application for a grant under AS 46.03.420
 13 and agrees

14 (1) to accept a loan in the same or lesser amount instead of a grant for
 15 the same project;

16 (2) to provide additional security or collateral for the loan if requested
 17 by the department;

18 (3) either to

19 (A) upgrade all underground petroleum storage tanks located at
 20 the facility from which the release occurred to the standards set by state and
 21 federal regulations according to a time line established by the department; or

22 (B) remove and properly dispose of all liquids and sludges from
 23 the underground petroleum storage tanks located at the facility from which the
 24 release occurred, conduct a site assessment, and either fill the tanks with inert
 25 solid material or properly dismantle, remove, and dispose of the tanks in
 26 accordance with applicable state and federal regulations; and

27 (4) to submit a plan for risk assessment, containment, corrective action,
 28 and cleanup to the department for its review and approval; if the department and the
 29 owner or operator cannot reach agreement on a plan, [OR] on later changes in the
 30 plan, or on a cleanup decision, the owner or operator may apply to the board to
 31 review the dispute; the board may issue a recommendation to the department in a

1 dispute brought to it under this paragraph; **the recommendation may include a**
2 **suggested time limit for completing appropriate cleanup activities or reaching a**
3 **cleanup decision.**

4 * **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).