

HB

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FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Environmental Conservation
 Title: An Act providing for the Regulation of above ground and underground tanks BRU: Environmental Quality
 Sponsor: Rules Committee Components: Environmental Quality
 Requestor: Governor

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		237.5	425.0	425.0	425.0	
TRAVEL		28.5	50.5	50.5	50.5	
CONTRACTUAL		25.0	45.0	45.0	45.0	
SUPPLIES		2.5	4.5	4.5	4.5	
EQUIPMENT		10.5	19.5	19.5	19.5	
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		304.0	544.5	544.5	544.5	

CAPITAL		-0-	-0-	-0-	-0-	
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REVENUE		-0-	-0-	-0-	-0-	
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FUNDING: (Thousands of Dollars)

GENERAL FUND		304.0	544.5	544.5	544.5	
FEDERAL FUNDS						
OTHER						
TOTAL		304.0	544.5	544.5	544.5	

POSITIONS:

FULL-TIME		5	9	9	9	
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

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 Division: Environmental Quality Date: 12/22/88

Approved by Commissioner: [Signature] Date: February 2, 1989
 Agency: Department of Environmental Conservation

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

Background

While the Department of Environmental Conservation has statutory authority to respond to and clean up oil and chemical spills, it lacks authority to require measures to prevent spills from oil storage facilities with a capacity of 10,000 barrels or less and chemical storage tanks of any size.

The proposed legislation would allow the Department to establish a State Underground Storage Tank/Above ground Storage Tank Program to prevent pollution from, and leaking of, oil and chemicals from storage tanks. It provides authority for the Department to require proof of financial responsibility for releases, design and installation standards, requirements for inspection and maintenance, early release detection, and other spill prevention measures for oil and chemical storage tanks.

The Department receives a small grant from the U.S. Environmental Protection Agency to inventory underground storage tanks in the State and to establish one position in the Southcentral Regional Office to inspect the installation and removal of tanks. This level of federal support is expected to continue.

FY 90 Program

FY 90 funds will be used to evaluate and develop a new state program to prevent spills and leakage from both underground and above ground oil and chemical storage tanks. During FY 90 the Department will initiate the following major tasks for Above ground Storage Tanks:

- 1) collect data and compile an inventory of existing Above ground Storage Tanks;
- 2) establish classes of Above ground Storage Tanks based on the size, type, age, and content;
- 3) develop draft regulations for each class of Above ground Storage Tanks; and,
- 4) organize a working group comprised of industry, agencies, and public representatives to provide regulation and program development assistance.

An inventory of existing Underground Storage Tanks has already been completed by the Department. The FY 90 approach and tasks for Underground Storage Tanks will include the following:

- 1) establish classes of Underground Storage Tanks based on the size, type, age, and contents;
- 2) develop draft regulations for each class of Underground Storage Tanks; and

3) organize a working group to provide agency, industry, and public input into the development of regulations.

To complete these tasks the Department will establish 5 positions for FY 90; 3 Ecologists to develop an Above-ground Storage Tank inventory, organize working groups, and to draft Underground Storage Tank/Above ground Storage Tank regulations; 1 Ecologist in the Northern Regional Office to assist in data collection and in developing regulations that will address the unique aspects of cold climates; and 1 Clerk Typist.

FY 91 and Ongoing Program

FY 91 tasks will include completing regulations for both Underground Storage Tanks/Above ground Storage Tanks, initiating a public/industry information program, and implementing the newly established regulations.

Staff required for FY 91 and ongoing operation of the program include 7 Ecologists and Field Officers distributed throughout the Department, and 2 Clerk Typists. Major field tasks will include inspection of tank construction, installation and abandonment; review of facility records for inspection, maintenance, and release detection that may be required by the new regulations; enforcement; and technical assistance to installers and owners of tanks.