

HB 2196 -- Petroleum Fuel Storage Tanks

Sponsor: Cooper (120)

This bill changes the laws regarding petroleum fuel storage tanks. In its main provisions, the bill:

- (1) Specifies that the Petroleum Storage Tank Insurance Fund is a body corporate and politic, exempts the fund from being subject to the transfer requirements of the General Revenue Fund, extends the expiration date of the fund to December 31, 2020, and increases the maximum per-tank fees collected by the fund from \$300 to \$500 with the option of requiring new applicants to pay a \$500 surcharge per tank for each year that the tank was eligible for coverage by the fund;
- (2) Allows any interested party to serve on the advisory committee for the fund and changes the committee's reporting requirement to the General Assembly on the status of private insurance for fuel storage from each year to every two years;
- (3) Specifies that after December 31, 2017, the current legal owner of a storage tank will be responsible for corrective action due to a leak;
- (4) Prohibits the transfer of petroleum to tanks unless spill prevention, leak detection, and other types of equipment are installed on tanks and allows the Department of Natural Resources to red flag tanks that are ineligible to receive petroleum. The department must notify in writing an owner within 14 days of tagging a tank and must remove a tag upon a satisfactory resolution of the problem. The department is required to conduct an inspection in order to determine if a tag may be removed within 24 hours of receipt of notice that the problem has been corrected or the tank owner may remove the tag and continue operations. An appeal of the department's decision may be made to the Administrative Hearing Commission or to the appropriate circuit court; and
- (5) Requires, beginning December 31, 2010, owners of aboveground storage tanks to maintain insurance for spills in the amount of at least \$1 million per spill and \$2 million in aggregate or to participate in the fund.