

House Engrossed Senate Bill

FILED
KEN BENNETT
SECRETARY OF STATE

State of Arizona
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First Regular Session
2013

CHAPTER 244

SENATE BILL 1080

AN ACT

AMENDING SECTIONS 49-1015.01 AND 49-1052, ARIZONA REVISED STATUTES; AMENDING LAWS 2004, CHAPTER 273, SECTIONS 8, 9 AND 14; RELATING TO UNDERGROUND STORAGE TANK REGULATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 49-1015.01, Arizona Revised Statutes, is amended to
3 read:

4 49-1015.01. Regulated substance fund; purpose

5 A. ~~A~~ THE regulated substance fund is established. The director shall
6 administer the fund. Monies in the fund are CONTINUOUSLY APPROPRIATED AND
7 ARE exempt from the provisions of section 35-190 relating to lapsing of
8 appropriations. On notice from the director, the state treasurer shall
9 invest and divest monies in the fund as provided in section 35-313, and
10 monies earned from investment shall be credited to the fund.

11 B. The regulated substance fund consists of monies appropriated by the
12 legislature, underground storage tank tax revenues, assurance account monies
13 encumbered by the director for implementing work plans and corrective action
14 plans in which monitored natural attenuation is all or a portion of the
15 selected remedy, monies reimbursed to the fund and gifts, grants and
16 donations.

17 C. Monies in the fund shall be used for releases from underground
18 storage tanks. Monies in the fund are continuously appropriated and shall be
19 used at sites selected based on an analysis of risk to human health and the
20 environment by the director as follows:

21 1. For the reasonable and necessary costs of administering and taking
22 corrective actions of regulated substances if the department cannot locate an
23 owner or operator of the underground storage tank within ninety days or
24 within such shorter period as necessary to protect human health or the
25 environment.

26 2. Notwithstanding paragraph 1, for the reasonable and necessary costs
27 of taking corrective actions of regulated substances.

28 D. Monies in the fund may also be used for corrective actions related
29 to a work plan or corrective action plan approved by the department ~~before~~
30 ~~July 1, 2010~~ in which monitored natural attenuation is all or a portion of
31 the selected remedy, including corrective actions at sites at which monitored
32 natural attenuation is not adequate. Monies for monitored natural
33 attenuation shall be deposited in the monitored natural attenuation account
34 of the fund and shall only be used for those purposes.

35 E. Monies in the fund shall not be used to implement the water quality
36 assurance revolving fund program pursuant to chapter 2, article 5 of this
37 title.

38 Sec. 2. Section 49-1052, Arizona Revised Statutes, is amended to read:
39 49-1052. Coverage of corrective action costs

40 A. The department shall provide from the assurance account coverage in
41 the amounts authorized by subsection I of this section and sections 49-1017,
42 49-1022 and 49-1054 of the costs incurred after September 15, 1989 of the
43 following:

1 1. Sampling, analysis and reporting that are initiated pursuant to
2 section 49-1004 and that confirm the presence of a release that requires
3 corrective action pursuant to section 49-1005.

4 2. Sampling, analysis and reporting that are initiated pursuant to
5 section 49-1008 and that confirm the presence of a release that requires
6 corrective action pursuant to section 49-1005.

7 3. Permanent closure pursuant to section 49-1008 before July 1, 1999,
8 if the owner or operator satisfies both of the following requirements:

9 (a) A release associated with the tank being closed was reported to
10 the department.

11 (b) The closure of the tank met all applicable closure requirements of
12 section 49-1008 and rules adopted pursuant to that section.

13 4. Permanent closure of a tank pursuant to section 49-1008 on or after
14 July 1, 1999, if the owner or operator satisfies all of the following
15 requirements:

16 (a) The closure of the tank meets all applicable closure requirements
17 of section 49-1008 and the rules adopted pursuant to that section.

18 (b) A release to native soils was confirmed and reported to the
19 department before closure activities were initiated.

20 (c) The source of the release is the tank that is being closed.

21 (d) The tank that is being closed met the temporary closure
22 requirements or the new or upgraded tank requirements in rules adopted
23 pursuant to section 49-1014 at the time of the release.

24 (e) The tank cannot be repaired under the rules adopted pursuant to
25 section 49-1014.

26 5. Corrective actions initiated pursuant to section 49-1005.

27 6. Permanent closure pursuant to section 49-1008, for persons
28 described in subsection I of this section, if all of the following are met:

29 (a) The underground storage tank being closed is the source of a
30 release to native soil that requires corrective action.

31 (b) Permanent closure of the underground storage tank met all of the
32 applicable closure requirements of section 49-1008 and the rules adopted
33 pursuant to that section.

34 (c) A release to native soil associated with the underground storage
35 tank being closed was reported to the department.

36 (d) The person described in subsection I of this section meets the
37 requirements of section 49-1016, subsection C.

38 7. Costs incurred for professional fees directly related to the
39 preparation of an assurance account application. The department shall credit
40 these fees toward the applicant's copayment obligation.

41 B. The department may provide the coverage required by this section
42 either by paying the owner, the operator or a designated representative of
43 the owner or operator or any combination of these persons or a political
44 subdivision covered by subsection H of this section or by making direct
45 payments for eligible actions on behalf of the owner, operator or political

1 subdivision. If the department determines that an application for direct
2 payment or reimbursement is incomplete, the department within forty-five days
3 of the application shall notify the owner or operator of the missing
4 information as specifically as possible and shall permit the owner or
5 operator to provide the additional information within thirty days. On the
6 request of an applicant, the department shall grant an additional sixty days
7 to submit the missing information. The grant of additional time tolls the
8 period for making an interim determination on matters relating to direct
9 payment or reimbursement pursuant to section 49-1091.

10 C. An owner, an operator, a designated representative of an owner or
11 operator or a political subdivision covered by subsection H of this section
12 may apply to the department for coverage of the eligible costs pursuant to
13 this article and rules adopted pursuant to this article. Any employee of the
14 owner or operator may submit an application to the department on behalf of
15 the owner or operator.

16 D. The department shall not pay for eligible costs unless the
17 department determines that the eligible activities have met, or when
18 completed will meet, the applicable requirements of section 49-1004 or
19 49-1005. The department may require by rule that persons who perform payable
20 eligible activities meet specified standards of qualification and be approved
21 by the department.

22 E. The department shall not provide any coverage described in this
23 article to an owner or operator of underground storage tanks described in
24 section 49-1031, subsection C. The department shall not provide any coverage
25 described in this article with respect to the substances described in section
26 49-1031, subsection C, unless the tax imposed by article 2 of this chapter
27 applies to such substances.

28 F. The department shall not provide any coverage described in this
29 article to an owner or operator or any person or entity employed or retained
30 by an owner or operator, if any of the following applies:

31 1. The owner or operator is delinquent in the payment of any fee,
32 penalty or interest thereon imposed under this chapter and fails to cure that
33 delinquency within thirty days after receiving notice from the department.
34 If the owner or operator cures the delinquency more than thirty days after
35 receiving notice from the department, the owner or operator may submit a new
36 application for coverage. The new application shall be prioritized for
37 review and payment in the ordinary course of ranking. If the owner or
38 operator cures the delinquency within thirty days after receiving notice from
39 the department, the owner or operator retains the owner's or operator's place
40 in the priority system. The department shall provide notice of the
41 delinquency within thirty days after receiving an application for payment
42 from the assurance account or within sixty days after a work plan is
43 submitted for preapproval. If the department does not provide notice
44 pursuant to this paragraph, the department shall not withhold payment based
45 on that delinquency nor shall the department use that delinquency as a basis

1 for the department to delay preapproval of corrective actions and related
2 costs. An owner or operator remains eligible for coverage for other
3 underground storage tank sites if no fees, penalties or interest is
4 delinquent for those sites.

5 2. The owner or operator is delinquent in filing any excise tax return
6 required by section 49-1032, subsection B and fails to cure that delinquency
7 within thirty days after receiving notice of the delinquency from the
8 department. If the owner or operator cures the delinquency more than thirty
9 days after receiving notice from the department, the owner or operator may
10 submit a new application for coverage. The new application shall be
11 prioritized for review and payment in the ordinary course of ranking. If the
12 owner or operator cures the delinquency within thirty days, after receiving
13 notice from the department, the owner or operator retains the owner's or
14 operator's place in the priority system. The department shall provide notice
15 of the delinquency within thirty days after receiving an application for
16 payment from the assurance account or within sixty days after a work plan is
17 submitted for preapproval. If the department does not provide notice
18 pursuant to this paragraph, the department shall not withhold payment based
19 on that delinquency. The department shall not use a delinquency pursuant to
20 this paragraph as a basis for the department to delay preapproval or
21 corrective actions and related costs.

22 3. The underground storage tanks included in the application for
23 coverage are located at a site that is the subject of an enforcement
24 proceeding under section 49-1013. The owner or operator remains eligible for
25 coverage for other sites where underground storage tanks are located if the
26 owner or operator is not the subject of an enforcement proceeding regarding
27 those sites. Payment from the assurance account will be withheld during the
28 time that a final compliance order is in effect only for those costs directly
29 associated with those activities that are the subject of the compliance
30 order. Any payment costs that are incurred prior to a compliance order
31 becoming final and that are not directly associated with the subject of that
32 compliance order shall be eligible for payment pursuant to this section.
33 Processing of payment from the assurance account shall not be delayed until a
34 compliance order becomes final. An owner or operator shall not be considered
35 to be the subject of an enforcement proceeding for purposes of eligibility
36 for assurance account payments if any of the following applies:

37 (a) The department has filed an action in superior court unless the
38 court determines in its discretion on the merits of the action that
39 withholding payment is an appropriate sanction. Processing of payment shall
40 be postponed until the court determines the owner's or operator's
41 eligibility.

42 (b) The department takes corrective actions pursuant to section
43 49-1017, subsection A, paragraphs 1 and 2, without the consent of the owner
44 or operator.

1 (c) An owner or operator formally consents in writing to an
2 administrative order. If the department determines that the owner or
3 operator is in violation of the consent order, the owner or operator shall
4 not be considered to be subject to an enforcement proceeding and processing
5 of payment from the assurance account shall not be delayed until a final
6 administrative decision is rendered finding that the owner or operator is in
7 violation of the consent order. Payment from the assurance account shall be
8 withheld only for those costs determined in the final administrative decision
9 to be incurred for those activities that are the direct subject of the
10 determined violation of the consent order. Any other payment costs that are
11 incurred prior to a final administrative decision finding a violation of the
12 consent order or payment costs that are not the direct subject of the consent
13 order violation shall be eligible for payment pursuant to this section. For
14 compliance orders and violated consent orders that become final on or before
15 November 1, 2000, on satisfaction of a final compliance order or a final
16 administrative decision on a violated consent order, an owner or operator
17 regains eligibility of coverage for costs incurred for activities that are
18 the subject of the final compliance order or final violated consent order.
19 For compliance orders and violated consent orders that become final after
20 November 1, 2000, an owner or operator regains coverage for costs incurred
21 for activities that are the subject of the final compliance order or final
22 violated consent order, except that the director may withhold coverage of up
23 to twenty-five per cent of the eligible costs incurred for activities that
24 are performed to cure the violation and that gave rise to the final
25 compliance order or final violated consent order if the owner or operator has
26 not demonstrated good faith attempts to meet the requirements of the final
27 compliance order or to correct the violation of the consent order. Any
28 decision by the director to withhold coverage under this subdivision is an
29 appealable agency action.

30 4. An individual, an owner or operator or any entity seeking coverage
31 is convicted of fraud relating to performance of eligible activities or to
32 any claim made for payment from the assurance account. This paragraph
33 applies only to the individual, the owner or operator or the entity that is
34 actually convicted of fraud relating to a corrective action or to a claim
35 made for payment.

36 5. The owner or operator has failed to comply with the financial
37 responsibility requirements of 40 Code of Federal Regulations part 280,
38 subpart H with respect to the underground storage tanks included in the
39 application for coverage and all of the following conditions are met:

40 (a) On or after July 1, 1996, the person seeking coverage is an owner
41 or operator of the tank.

42 (b) As of July 1, 1996, there are no preexisting conditions precluding
43 the ability to obtain financial responsibility which would have covered the
44 release.

45 (c) The release is reported on or after July 1, 1996.

1 (d) The owner or operator fails to provide information to refute both
2 of the following conditions:

3 (i) The tank was not pumped before July 1, 1996 for the purposes of
4 removing free product.

5 (ii) Regulated substances were placed in or dispensed from the tank on
6 or after July 1, 1996.

7 The owner or operator remains eligible for coverage for other sites where the
8 owner or operator has complied with the financial responsibility requirements
9 of this paragraph. The conditions described in subdivision (d) of this
10 paragraph shall not apply to releases reported after January 1, 2000.

11 G. The department shall establish criteria for determining priorities
12 among the applications for coverage under this article. The criteria shall
13 include:

14 1. The need for financial assistance. The financial need evaluation
15 shall include the owner's or operator's corrective action liabilities at all
16 of the owner's or operator's underground storage tank sites in the state.

17 2. The risk to human health and the environment.

18 3. Whether the coverage is provided as a direct payment to a person
19 performing an eligible activity.

20 4. The extent to which a delay in providing coverage will affect an
21 eligible activity in progress.

22 5. The date on which an application for coverage is made.

23 6. The date on which an eligible activity for which coverage is sought
24 is to be or was taken.

25 7. Whether the payment has been previously deferred because of
26 insufficient monies in the assurance account and, if deferred, the length of
27 such deferral.

28 H. The department may provide the coverage described in this article
29 for eligible activity costs incurred by a political subdivision with respect
30 to a release from an underground storage tank if the underground storage tank
31 or the property where the underground storage tank is located comes into the
32 possession or control of the political subdivision under either title 12,
33 chapter 8, article 2 or 3.

34 I. The department may provide the coverage described in this article
35 for eligible activity costs with respect to a release from an underground
36 storage tank incurred by a person who currently owns the property or a person
37 with principal control of the property on which the underground storage tank
38 is or was located or the underground storage tank and who undertakes to meet
39 the requirements of section 49-1005, but who is not an owner or operator.
40 For claims paid on or after August 25, 2004, a person who undertakes to meet
41 the requirements and who is not an owner or an operator is eligible for
42 ninety per cent coverage, except that if the ten per cent per application
43 that is not covered exceeds the assessed valuation of the real property, the
44 person is eligible for one hundred per cent coverage in an application. If
45 that person is not eligible for one hundred per cent coverage and does not

1 pay the ten per cent remaining and notwithstanding the limitations prescribed
2 in section 49-1017, the department shall take corrective action with respect
3 to that release. A person who takes corrective action pursuant to this
4 subsection shall submit certification to the department that the person has
5 paid the remaining costs or has agreed to pay those remaining costs as
6 demonstrated in an existing agreement.

7 J. Subject to section 38-503 and other applicable statutes and rules,
8 the department may contract with a private consultant for the purpose of
9 assisting the department in reviewing work plans, site characterization
10 reports, corrective action plans, monitoring reports and other information to
11 determine whether corrective actions meet the criteria and requirements of
12 this chapter and the rules adopted by the director. If the department
13 contracts with a consultant pursuant to this section, an owner or operator
14 may request that the department expedite the review or inspection process by
15 requesting that the department use the services of the consultant and by
16 agreeing to pay to the department the costs of the consultant's services.
17 The department shall not use a private consultant if the fee charged for that
18 service would be more than the fee the department would charge to provide
19 that service. The department shall pay the consultant for the services
20 rendered by the consultant from fees paid by the applicant to the department
21 pursuant to this section.

22 K. Claims for coverage that are not paid within one hundred eighty
23 days after receipt by the department of a complete and correct claim accrue
24 interest at the rate of eight per cent per year. Interest shall not accrue
25 on any claim that is unpaid as a result of insufficient monies in the area
26 account for that claim.

27 L. Requests by the department for additional information from
28 claimants shall be reasonably related to the determination of the validity of
29 the claim as prescribed by this article.

30 M. Except for claims for appeals costs authorized pursuant to section
31 49-1091.01, claims for coverage, or a work plan for preapproval, CLAIMS at a
32 site shall be submitted to the department no more than one year after the
33 claimant receives a closure letter sent by the department by certified mail
34 with notice that the claimant has one year to submit a claim for that
35 release. If the claim is submitted in a timely manner, the claimant may
36 correct or supplement the claim within a reasonable time as specified by the
37 department without loss of coverage. If a work plan is submitted in a timely
38 manner, the claimant, at any time thereafter, may correct, supplement or
39 resubmit the work plan. Failure to submit a timely claim or work plan shall
40 result in denial of the claim. Any monies encumbered or set aside regarding
41 the claim shall be returned to the assurance account, except for those monies
42 encumbered or set aside for the purpose of well abandonment or site
43 restoration. The time limit prescribed by this subsection does not apply to
44 closed releases that are subsequently reopened for the performance of
45 additional corrective actions or at which corrective actions are proceeding

1 pursuant to a work plan for preapproval submitted before the release was
2 closed OR TO RELEASES THAT ARE REPORTED ON OR AFTER JULY 1, 2006 THAT ARE
3 SUBJECT TO COVERAGE.

4 N. The department shall provide coverage for the costs of corrective
5 actions relating to soil remediation that are consistent with remediation
6 standards developed pursuant to chapter 1, article 4 of this title. Payment
7 may be made for the most cost-effective corrective actions to remediate soil
8 either to the predetermined residential soil clean up levels or site specific
9 residential soil clean up levels for unrestricted use of the property as
10 determined by a risk based health assessment performed pursuant to rules
11 adopted pursuant to article 1 of this chapter. The department shall provide
12 coverage for the costs of corrective actions relating to groundwater
13 remediation and for approved corrective action plans that are submitted on or
14 after August 25, 2004 and for work plans that are associated with an approved
15 corrective action plan that is submitted to the department on or after August
16 25, 2004, and payment shall be made only for the most cost-effective risk
17 based corrective action in accordance with rules adopted under article 1 of
18 this chapter. On adoption of rules and after a request to the department,
19 the department shall issue a no further action letter on completion of source
20 removal and source control and approval of a groundwater monitored natural
21 attenuation corrective action plan. The department shall provide coverage
22 for corrective actions related to the control and removal of a source of
23 contamination but shall not provide coverage for permanent closure of an
24 underground storage tank. A source of contamination includes any one or more
25 of the following:

- 26 1. Free product.
- 27 2. A regulated substance present in soil that causes or threatens to
28 cause an exceedance of the aquifer water quality standards.
- 29 3. A regulated substance present in groundwater at levels that would
30 prevent timely reduction of contaminant concentrations in comparison with the
31 performance of active remediation.
- 32 4. Any other presence of a regulated substance causing an ongoing
33 source of contamination, as determined by the department.

34 0. If a person intends to seek payment from the assurance account, the
35 corrective action selected in a corrective action plan shall be the most
36 cost-effective alternative that meets the requirements of section 49-1005.
37 Monies from state appropriations shall not be used for administrative costs.
38 If the most inexpensive corrective action alternative is not selected, the
39 person shall demonstrate to the department the criteria supporting the
40 corrective action selected in the corrective action plan. Nothing in this
41 subsection shall affect the department's review of corrective action costs
42 pursuant to article 3 of this chapter.

43 P. The coverage provided by this section is available only to the
44 extent of the monies available in the assurance account. If there are
45 insufficient monies available in the assurance account to pay all eligible

1 costs which the department has determined should be paid, the department
2 shall defer such payment until sufficient monies are available to pay such
3 eligible costs. The department shall not provide any coverage and the
4 assurance account is not liable for compensating third parties for bodily
5 injury or property damage caused by releases from underground storage tanks.

6 Q. The department shall not accept an application to the assurance
7 account for coverage from an applicant for costs associated with a single
8 facility more frequently than once each calendar month and the department
9 shall not accept an application for costs associated with a single facility
10 for an amount of less than five thousand dollars unless any of the following
11 applies:

12 1. The reimbursement or preapproval application is the final
13 application associated with the release.

14 2. The application for direct payment is the final application
15 associated with the preapproved work plan.

16 3. The application is the last application submitted by that applicant
17 on or before June 30, 2010.

18 Sec. 3. Laws 2004, chapter 273, section 8 is amended to read:

19 Sec. 8. Regulated substance fund; deposit of monies

20 ~~On July 1, 2011, after payment of all claims that were timely submitted~~
21 ~~to the department of environmental quality, The director of environmental~~
22 ~~quality shall transfer all of the following from the underground storage tank~~
23 ~~assurance account established pursuant to section 49-1015, Arizona Revised~~
24 ~~Statutes, into the regulated substance fund established pursuant to section~~
25 ~~49-1015.01, Arizona Revised Statutes, as added AMENDED by this act, :-~~

26 ~~1. An amount equal to the amount of copayments made by claimants~~
27 ~~pursuant to section 49-1052, subsection I, Arizona Revised Statutes, as~~
28 ~~amended by this act, and section 49-1054, subsection A, Arizona Revised~~
29 ~~Statutes, as amended by this act, and retained by the underground storage~~
30 ~~tank assurance account.~~

31 ~~2. any monies remaining in the underground storage tank assurance~~
32 ~~account after all claims are paid or extinguished, or both, pursuant to~~
33 ~~section 9 of this act up to a maximum of sixty million dollars. AFTER THE~~
34 ~~TRANSFER OF SIXTY MILLION DOLLARS INTO THE REGULATED SUBSTANCE FUND, any~~
35 ~~monies remaining DEPOSITED in the underground storage tank assurance account~~
36 ~~in excess of sixty million dollars shall be deposited in the state general~~
37 ~~HIGHWAY fund ESTABLISHED BY SECTION 28-6991, ARIZONA REVISED STATUTES.~~

38 ~~3. Any assurance account monies encumbered by the director on or~~
39 ~~before June 30, 2011 for corrective actions related to a work plan or~~
40 ~~corrective action plan approved by the department before June 30, 2010 in~~
41 ~~which monitored natural attenuation is all or a portion of the selected~~
42 ~~remedy and for which monies may be necessary to meet the standards for case~~
43 ~~closure. Nothing in this paragraph shall be construed to affect the existing~~
44 ~~statutory claims process for claims involving monitored natural attenuation.~~
45 ~~Monies encumbered for monitored natural attenuation pursuant to this~~

1 paragraph shall be deposited in the monitored natural attenuation account of
2 the regulated substance fund.

3 Sec. 4. Laws 2004, chapter 273, section 9 is amended to read:

4 Sec. 9. Underground storage tank assurance account; termination
5 of eligibility

6 Notwithstanding any other law:

7 1. From and after June 30, 2006, only releases of a regulated
8 substance that are reported before July 1, 2006 as provided in section
9 49-1004, Arizona Revised Statutes, are subject to coverage for corrective
10 action costs from the underground storage tank assurance account EXCEPT THAT
11 RELEASES THAT ARE REPORTED ON OR AFTER JULY 1, 2006 AND THAT ARE REPORTED AT
12 A SITE THAT IS OTHERWISE IN COMPLIANCE WITH TITLE 49, ARIZONA REVISED
13 STATUTES, AND RULES ENACTED UNDER THAT AUTHORITY AND THAT COULD NOT HAVE BEEN
14 REPORTED BEFORE JULY 1, 2006 WITH THE EXERCISE OF REASONABLE DILIGENCE ARE
15 ELIGIBLE FOR COVERAGE. IF THE UNDERGROUND STORAGE TANK ASSURANCE ACCOUNT
16 DOES NOT HAVE SUFFICIENT MONIES TO PAY FOR COVERAGE OF ALL RELEASES, RELEASES
17 THAT ARE REPORTED ON OR AFTER JULY 1, 2006 ARE ELIGIBLE FOR COVERAGE FOR
18 CORRECTIVE ACTION COSTS FROM THE UNDERGROUND STORAGE TANK ASSURANCE ACCOUNT
19 IN PRIORITY AFTER RELEASES OF A REGULATED SUBSTANCE THAT ARE REPORTED BEFORE
20 JULY 1, 2006.

21 2. An application for reimbursement for or direct payment of eligible
22 reasonable and necessary costs from the underground storage tank assurance
23 account shall be filed with the department of environmental quality no later
24 than 5:00 p.m. on ~~June 30, 2010~~ DECEMBER 31, 2015.

25 3. An application for preapproval made pursuant to section 49-1052,
26 subsection I, Arizona Revised Statutes, or section 49-1053, Arizona Revised
27 Statutes, shall be filed with the department of environmental quality no
28 later than 5:00 p.m. on ~~June 30, 2009~~ DECEMBER 31, 2014.

29 4. Any application made or expense incurred after ~~June 30, 2010~~
30 DECEMBER 31, 2015 is not eligible for coverage from the underground storage
31 tank assurance account and all such claims are extinguished.

32 5. THE DEPARTMENT OF ENVIRONMENTAL QUALITY IS NOT REQUIRED TO TAKE ANY
33 ACTION ON AN APPLICATION FOR COVERAGE, REIMBURSEMENT OR PAYMENT FROM THE
34 UNDERGROUND STORAGE TANK ASSURANCE ACCOUNT OR ON AN APPLICATION FOR
35 PREAPPROVAL UNTIL AFTER THE UNDERGROUND STORAGE TANK PROGRAM STUDY COMMITTEE
36 SUBMITS A REPORT OF ITS FINDINGS AND RECOMMENDATIONS TO THE GOVERNOR, THE
37 PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND
38 ONLY IF THE UNDERGROUND STORAGE TANK ASSURANCE ACCOUNT HAS SUFFICIENT MONIES
39 TO PAY CLAIMS.

40 6. IF THE UNDERGROUND STORAGE TANK ASSURANCE ACCOUNT DOES NOT HAVE
41 SUFFICIENT MONIES TO PAY ALL CLAIMS BY THE DATE OF THE TERMINATION OF THE
42 ACCOUNT AS OTHERWISE PROVIDED BY LAW, ANY CLAIMS UNPAID ON THE DATE OF
43 TERMINATION OF THE ACCOUNT ARE EXTINGUISHED WITHOUT REGARD TO WHETHER THOSE
44 CLAIMS WERE ELIGIBLE FOR COVERAGE FROM THE ACCOUNT.

1 Sec. 5. Laws 2004, chapter 273, section 14 is amended to read:

2 Sec. 14. Effective date

3 A. Section 7 of this act, relating to the repeal of title 49, chapter
4 6, articles 2 and 3, Arizona Revised Statutes, is effective ~~on the earlier of~~
5 ~~the following:~~

6 1. ~~Receipt of sixty million dollars into the regulated substance fund~~
7 ~~established by section 49-1015.01, Arizona Revised Statutes, as added by this~~
8 ~~act, after payment and extinguishment of all claims that were timely~~
9 ~~submitted and transfer of monies as prescribed by section 8, paragraph 2 of~~
10 ~~this act.~~

11 2. ~~Receipt of sixty million dollars into the regulated substance fund~~
12 ~~established by section 49-1015.01, Arizona Revised Statutes, as added by this~~
13 ~~act, from monies transferred pursuant to this paragraph. If the regulated~~
14 ~~substance fund does not receive sixty million dollars pursuant to paragraph 1~~
15 ~~of this section, the director of environmental quality shall deposit into the~~
16 ~~regulated substance fund monies collected by the department pursuant to~~
17 ~~section 49-1031, Arizona Revised Statutes, until a total of sixty million~~
18 ~~dollars of tax revenues collected pursuant to section 49-1031, Arizona~~
19 ~~Revised Statutes, in addition to monies encumbered and deposited in the~~
20 ~~monitored natural attenuation account, is received by the regulated substance~~
21 ~~fund.~~

22 3. ~~December 31, 2013 2015.~~

23 B. ~~The director of environmental quality shall immediately provide~~
24 ~~written notice to the director of the Arizona legislative council when the~~
25 ~~regulated substance fund has received a total of sixty million dollars of tax~~
26 ~~revenues as prescribed by this section.~~

27 Sec. 6. Underground storage tank program study committee;
28 membership; duties; delayed repeal

29 A. The underground storage tank program study committee is established
30 consisting of the following members:

31 1. Three members of the house of representatives who are appointed by
32 the speaker of the house of representatives, not more than two of whom are
33 members of the same political party. The speaker of the house shall
34 designate one of these members to serve as cochairperson of the committee.

35 2. Three members of the senate who are appointed by the president of
36 the senate, not more than two of whom are members of the same political
37 party. The president of the senate shall designate one of these members to
38 serve as cochairperson of the committee.

39 3. The governor or the governor's designee.

40 4. The director of the department of environmental quality or the
41 director's designee.

42 5. The director of the department of transportation or the director's
43 designee.

44 6. The attorney general or the attorney general's designee.

1 7. A representative of an association of cities and towns in this
2 state who is appointed by the speaker of the house of representatives.

3 8. A representative of an association of retail sellers of petroleum
4 products in this state who is appointed by the speaker of the house of
5 representatives.

6 9. A representative of a regional association of companies that
7 produce, refine, transport and market petroleum products who is appointed by
8 the speaker of the house of representatives.

9 10. A representative of insurance companies that provide coverage for
10 releases from underground storage tanks who is appointed by the speaker of
11 the house of representatives.

12 11. A representative of environmental consultants that provide services
13 relating to corrective actions for underground storage tank releases who is
14 appointed by the speaker of the house of representatives.

15 12. Two public members, one of whom is appointed by the president of
16 the senate and one of whom is appointed by the speaker of the house of
17 representatives.

18 B. The committee shall meet to consider and make recommendations on
19 the following issues relating to the underground storage tank program:

20 1. Needs and possible sources for future funding of the program.

21 2. Financial responsibility requirements and mechanisms for
22 demonstrating financial responsibility.

23 3. Tank compatibility issues.

24 4. Leak detection.

25 5. Tank inspections, including compliance and maintenance programs.

26 6. Reestablishing eligibility for claims barred by deadlines,
27 including consideration of unpaid applications made against the underground
28 storage tank assurance account after June 30, 2010.

29 7. Revenue collection and expenditures.

30 C. The committee may:

31 1. Request information, data and reports from any state agency or
32 political subdivision of this state and other persons and businesses
33 interested in the underground storage tank program.

34 2. Hold hearings and take testimony from affected persons including
35 members of the public.

36 D. The committee shall meet at the call of the chairperson and shall
37 submit a report of its findings and recommendations to the governor, the
38 president of the senate and the speaker of the house of representatives on or
39 before December 31, 2013 and shall provide a copy of the report to the
40 secretary of state.

41 E. Members of the committee are not eligible to receive compensation
42 or reimbursement of expenses. Legislative staff shall provide assistance to
43 the committee.

44 F. This section is repealed on February 28, 2014.

APPROVED BY THE GOVERNOR JUNE 20, 2013.

On Reconsideration

Passed the House June 13, 2013,

Passed the Senate March 6, 2013,

by the following vote: 54 Ayes,

by the following vote: 20 Ayes,

4 Nays, 2 Not Voting

8 Nays, 2 Not Voting


Speaker of the House


President of the Senate


Cheryl Laube
Chief Clerk of the House


Chairman Bellington
Secretary of the Senate

~~EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR~~

~~This Bill was received by the Governor this~~

~~_____ day of _____, 20____,~~

~~at _____ o'clock _____ M.~~

~~_____
Secretary to the Governor~~

~~Approved this _____ day of~~

~~_____, 20____,~~

~~at _____ o'clock _____ M.~~

~~_____
Governor of Arizona~~

~~EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE~~

~~This Bill was received by the Secretary of State~~

~~this _____ day of _____, 20____,~~

~~at _____ o'clock _____ M.~~

~~_____
Secretary of State~~

S.B. 1080

SENATE CONCURS IN HOUSE
AMENDMENTS AND FINAL PASSAGE

Passed the Senate June 13, 2013

by the following vote: 23 Ayes,

6 Nays, 1 Not Voting

[Signature]
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

17 day of June, 2013

at 8:25 o'clock A M.

[Signature]
Secretary to the Governor

Approved this 20th day of

[Signature]

at 3:15 o'clock P. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 21st day of June, 2013

at 9:17 o'clock A. M.

[Signature]
Secretary of State

S.B. 1080