

2018 Regular Session

SENATE BILL NO. 195

BY SENATOR WALSWORTH

FUNDS/FUNDING. Provides relative to the setting of the fee for the Motor Fuels Underground Storage Tank Trust Fund. (8/1/18)

1 AN ACT
2 To amend and reenact R.S. 30:2195.3(A)(1)(a)(i) and 2195.8(A), and to repeal R.S.
3 30:2195.3(10), relative to the Motor Fuels Underground Storage Tank Trust Fund;
4 to provide for the powers and duties of the secretary of the Department of
5 Environmental Quality; to provide for the Motor Fuels Underground Storage Tank
6 Trust Fund Advisory Board; to provide for the fee collected by the operator of a bulk
7 facility; to provide for the fee calculation; to provide terms, conditions, and
8 requirements; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 30:2195.3(A)(1)(a)(i) and 2195.8(A) are hereby amended and
11 reenacted to read as follows:

12 §2195.3. Source of funding; limitations on disbursements from the Tank Trust Fund;
13 limit on amount in Tank Trust Fund

14 A.(1)(a) A fee is imposed on the first sale or delivery of a motor fuel upon
15 withdrawal from bulk of that fuel. This fee shall not, however, apply to new or used
16 motor oil. Each operator of a bulk facility on withdrawal from bulk of a motor fuel
17 shall either retain or collect from the person who ordered the fuel a fee in an amount

1 determined as follows:

2 (i) ~~Seventy-two~~ **An amount not to exceed seventy-two** dollars for each
3 separate withdrawal of nine thousand gallons **as determined by the secretary after**
4 **consideration of the recommendations of the board as provided for in R.S.**
5 **30:2195.8(A).**

6 * * *

7 §2195.8. Advisory board

8 A.**(1)** There shall be a Motor Fuels Underground Storage Tank Trust Fund
9 Advisory Board, hereinafter referred to as the "board," to advise the secretary with
10 regard to implementation of the Tank Trust Fund including investment of the trust;
11 **and** issuance of loans, ~~changing of the trust ceiling if after a reasonable time this~~
12 ~~would be deemed appropriate and with regard to the minimum level of funding.~~

13 **(2) The board shall determine the minimum level of funding of the Tank**
14 **Trust Fund by conducting an annual review of receipts from the Tank Trust**
15 **Fund from the previous fiscal year along with the projected amounts expected**
16 **to be expended in the following fiscal year for purposes of recommending**
17 **changes to the fee. Prior to the end of each fiscal year, the board shall meet to**
18 **determine its recommendation on the setting of the fee for the next fiscal year**
19 **and shall make such recommendation to the secretary.**

20 **(3)** The board shall annually review the "Louisiana Motor Fuels Underground
21 Storage Tank Trust Fund Cost Control Guidance Document" and may make
22 recommendations for changes. ~~Prior to the promulgation of any proposed~~
23 ~~underground storage tank regulations, the department shall provide proposed changes~~
24 ~~to the board for review.~~

25 **(4) The board shall review any proposed underground storage tank**
26 **regulations prior to the adoption of such regulations.**

27 **(5)** The board shall also determine the role of the Tank Trust Fund in
28 establishing financial responsibility as required by federal or state law, except that
29 such requirement shall not exceed those established by the U.S. Environmental

1 Protection Agency.

2 (6) The board shall additionally examine claims made and loss experience,
3 make recommendations to the secretary regarding minimum levels of financial
4 responsibility for underground storage tank owners, and the necessity for and
5 contents of rules and regulations issued under the Environmental Quality Act in
6 similar matters.

7 (7) The board may recommend standards for the qualification of response
8 action contractors ~~as defined herein~~.

9 (8) The board may recommend at any time that response action contractors
10 be added to or deleted from the list.

11 (9) The board shall also have the authority to review applications for
12 disbursements from the Tank Trust Fund.

13 * * *

14 Section 2. R.S. 30:2195.3(10) is hereby repealed.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by McHenry Lee.

DIGEST

SB 195 Engrossed 2018 Regular Session Walsworth

Present law provides for the Motor Fuels Underground Storage Tank Trust Fund. Monies in the fund can be used for cleanup and other costs associated with leaks from fuel storage tanks if the owner is in compliance with applicable regulations.

Present law provides for the Motor Fuels Underground Storage Tank Trust Fund Advisory Board to advise the secretary with regard to implementation and management of the fund.

Present law provides for revenue for the fund. One source of revenue is a fee of \$72 for every withdrawal of 9,000 gallons from bulk fuel.

Proposed law allows the secretary, after consideration of the recommendation from the board, to change the amount of the fee on an annual basis, but caps the fee at a maximum of \$72 per every withdrawal of 9,000 gallons from bulk fuel.

Proposed law requires the board to determine the minimal level of funding by conducting an annual review of receipts and disbursements from the fund along with the projected amounts expected to be expended in the next fiscal year. Further requires the board to meet at the end of each fiscal year to determine its recommendation on the setting of the fee for the next fiscal year.

Proposed law makes technical changes.

Proposed law requires the board to review any proposed underground storage tank

regulations prior to the adoption of such regulations.

Present law provides a waiver for the fees on the first day of the second month if it is determined the fund has a balance that equals or exceeds \$40 million, and requires the fee to be reinstated on the first day of the second month if the balance in the fund falls below \$10 million.

Proposed law repeals present law.

Effective August 1, 2018.

(Amends R.S. 30:2195.3(A)(1)(a)(i) and 2195.8(A); repeals R.S. 30:2195.3(10))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Environmental Quality
to the original bill

1. Changes "based on the recommendations of the board" to "after consideration of the recommendations of the board".