

HOUSE BILL REPORT

SSB 6130

As Passed House - Amended:

March 4, 1998

Title: An act relating to underground storage tanks.

Brief Description: Regulating underground storage tanks.

Sponsors: Senate Committee on Agriculture & Environment (originally sponsored by Senators Swecker, Fraser, Patterson and Winsley; by request of Department of Ecology).

Brief History:

Committee Activity:

Agriculture & Ecology: 2/23/98 [DPA];

Appropriations: 2/25/98, 2/26/98 [DPA(AGEC)].

Floor Activity:

Passed House - Amended: 3/4/98, 97-0.

HOUSE COMMITTEE ON AGRICULTURE & ECOLOGY

Majority Report: Do pass as amended. Signed by 9 members: Representatives Chandler, Chairman; Parlette, Vice Chairman; Schoesler, Vice Chairman; Linville, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; Delvin; Mastin; Regala and Sump.

Minority Report: Without recommendation. Signed by 1 member: Representative Koster.

Staff: Bill Lynch (786-7092).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended by Committee on Agriculture & Ecology. Signed by 31 members: Representatives Huff, Chairman; Alexander, Vice Chairman; Clements, Vice Chairman; Wensman, Vice Chairman; H. Sommers, Ranking Minority Member; Doumit, Assistant Ranking Minority Member; Gombosky, Assistant Ranking Minority Member; Benson; Carlson; Chopp; Cody; Cooke; Crouse; Dyer; Grant; Keiser; Kenney; Kessler; Lambert; Linville; Lisk;

Mastin; McMorris; Parlette; Poulsen; Regala; D. Schmidt; Sehlin; Sheahan; Talcott and Tokuda.

Staff: Jeff Olsen (786-7157).

Background: The Legislature enacted an underground storage tank regulatory program in 1989 in response to the federal Resource Conservation and Recovery Act (RCRA). Under RCRA, the federal Environmental Protection Agency (EPA) was given authority to establish an underground storage tank regulatory program for tanks that store petroleum products or hazardous substances. The EPA program requires leak detection systems, upgrading of tanks, record-keeping systems, corrective or cleanup actions in response to releases, reporting of releases and corrective actions, standards for tank closure, and financial responsibility assurances.

EPA allows states to apply for the authority to administer the underground storage tank program at the state level in lieu of the federal program. The Legislature created a Joint Select Committee on Storage Tanks in 1988 which developed the legislation that was adopted in 1989. The legislation required the Department of Ecology to establish an underground storage tank program that, at a minimum, met the RCRA standards. EPA has approved the Washington program.

When the state underground storage tank law was adopted, local programs that were already in place and that were more stringent than the state or federal requirements were not preempted. Five of these local programs were in place prior to 1989. In establishing the state program, the Department of Ecology was encouraged to delegate program responsibilities to cities and counties. Cities and counties were also authorized to enter into interlocal agreements with fire districts for the fire districts to assume some or all of the delegated responsibilities. No local jurisdictions have sought delegation of this authority since the state law was enacted.

The department established a program for the tagging of underground storage tanks. Tanks are not eligible for tagging unless the owner/operator is in compliance with all requirements and has paid the necessary state and local tank fees. Regulated substances cannot be delivered to an underground storage tank unless they are properly tagged.

A person who owns an underground storage tank in the state which is subject to the provisions of the program must pay an annual state tank fee of \$75 per tank no later than December 31 of each year. Persons who have permanently closed their tanks are not required to pay the fees. Annual local tank fees may not exceed 50 percent of the annual state tank fee. All fees are deposited into the underground storage tank account. Expenditures from the account may only be spent by legislative appropriation for the administration and enforcement of the program.

The state underground storage tank program is scheduled to expire on July 1, 1999.

Summary of Bill: The state underground storage tank program is revised and placed on a sunset schedule. The program terminates on July 1, 2009, unless reauthorized by the Legislature.

The section which encouraged the Department of Ecology to delegate administrative responsibility for the underground storage tank program to cities, towns, and counties, and which also allowed these local governments to delegate responsibility to fire districts, is repealed. A city, town, or county with ordinances in effect on November 1, 1988, that were more stringent than the federal government, may still utilize those ordinances.

The tagging program for underground storage tanks is repealed and replaced with an annual licensing program for underground storage tanks. The license consists of a tank endorsement on the facility's annual master business license issued by the Department of Licensing. The master business license must be displayed in a location which is clearly identifiable. A license cannot be issued unless the owner/operator is in compliance with the requirements of the program and paid the annual tank fee.

The department is directed to issue a one-time facility compliance tag to correspond with the underground storage tank compliance deadline of December 22, 1998, for corrosion, spill, and overflow protection. Facilities may only be issued the compliance tag if they have installed the equipment which is required to be installed by December 22, 1998, paid the annual tank fees, and demonstrated financial responsibility. The tag must be displayed on the emergency shutoff device, or in close proximity to the fill pipes. No person may deliver regulated substances to underground storage tanks after December 22, 1998, without the compliance tag displayed. A facility must continue to pay annual tank fees, maintain compliance with corrosion, spill, and overflow protection requirements, maintain financial responsibility, and properly display the facility compliance tag. The department may revoke a facility compliance tag or a tank license for failing to comply with the necessary requirements.

The annual tank fee is raised from \$75 to \$100 per tank beginning on July 1, 1998, and is effective until July 1, 1999. After July 1, 1999, the tank fee may be increased by the department if the department finds that an increase is necessary, but any increase is limited to the fiscal growth factor calculated by the Office of Financial Management and is effective from July 1 to June 30 of each year.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: (Agriculture & Ecology) This bill reflects a resolution between the parties. This program needs to continue within the Department of Ecology instead of being run by federal agencies. The Department of Ecology will work during the interim on the wet-fueling issue.

(Appropriations) The bill represents a compromise agreement accepted by all of the stakeholders. Industry prefers to keep the program at the Department of Ecology rather than having the federal Environmental Protection Agency administer the program.

Testimony Against: (Agriculture & Ecology) None.

(Appropriations) None.

Testified: (Agriculture & Ecology) Mary Burg, Department of Ecology; and Charlie Brown, Washington Oil Marketers (pro).

(Appropriations) Tim Hamilton, Automotive Trades Organization; Mary Burg, Department of Ecology; Greg Hanon, Western States Petroleum Association; and Charlie Brown, WA Oil Marketing Association.