# CERTIFICATION OF ENROLLMENT

### SUBSTITUTE SENATE BILL 5475

Chapter 147, Laws of 2007

60th Legislature 2007 Regular Session

UNDERGROUND STORAGE TANKS

EFFECTIVE DATE: 07/22/07

Passed by the Senate March 7, 2007 YEAS 37 NAYS 8

BRAD OWEN

President of the Senate

Passed by the House April 9, 2007 YEAS 98 NAYS 0

FRANK CHOPP

Speaker of the House of Representatives

Approved April 20, 2007, 2:40 p.m.

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is SUBSTITUTE SENATE BILL 5475 as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

April 20, 2007

Secretary of State State of Washington

CHRISTINE GREGOIRE

Governor of the State of Washington

## SUBSTITUTE SENATE BILL 5475

Passed Legislature - 2007 Regular Session

#### State of Washington 60th Legislature 2007 Regular Session

**By** Senate Committee on Water, Energy & Telecommunications (originally sponsored by Senators Poulsen, Honeyford, Regala and Kohl-Welles; by request of Department of Ecology)

READ FIRST TIME 02/01/07.

AN ACT Relating to underground storage tanks; amending RCW 90.76.005, 90.76.010, 90.76.020, 90.76.050, 90.76.070, 90.76.080, 90.76.090, 90.76.110, 43.21B.300, 43.131.393, and 43.131.394; and repealing RCW 90.76.120.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 90.76.005 and 1989 c 346 s 1 are each amended to read 7 as follows:

8 The legislature finds that leaking underground storage tanks 9 containing petroleum and other regulated substances pose a serious 10 threat to human health and the environment. To address this threat, the legislature intends for the department of ecology to establish an 11 12 underground storage tank program designed, operated, and enforced in a 13 manner that, at a minimum, meets the requirements for delegation of the 14 federal underground storage tank program of the resource conservation 15 and recovery act of 1976, as amended (42 U.S.C. Sec. 6901, et seq.). 16 The legislature intends that statewide requirements for underground 17 storage tanks adopted by the department be consistent with and no less stringent than the ((objectives outlined)) requirements in the federal 18

1 regulations and the underground storage tank compliance act of 2005 (42
2 U.S.C. Sec. 15801 et seq., Energy Policy Act of 2005, P.L. 109-58,
3 Title XV, subtitle B).

The legislature further finds that certain areas of the state possess physical characteristics that make them especially vulnerable to threats from leaking underground storage tanks and that in these environmentally sensitive areas, local requirements more stringent than the statewide requirements may apply.

9 **Sec. 2.** RCW 90.76.010 and 1998 c 155 s 1 are each amended to read 10 as follows:

11 Unless the context clearly requires otherwise, the definitions in 12 this section apply throughout this chapter.

13 (1) "Department" means the department of ecology.

14

(2) "Director" means the director of the department.

15 (3) "Facility compliance tag" means a marker, constructed of metal, 16 plastic, or other durable material, that clearly identifies all 17 qualifying underground storage tanks on the particular site for which 18 it is issued.

19 (4) "Federal act" means the federal resource conservation and 20 recovery act, as amended (42 U.S.C. Sec. 6901, et seq.).

(5) "Federal regulations" means the underground storage tanks regulations (40 C.F.R. Secs. 280 and 281) adopted by the United States environmental protection agency under the federal act.

24 (6) "License" means the master business license underground storage
25 tank endorsement issued by the department of licensing.

26 <u>(7) "Underground storage tank compliance act of 2005" means Title</u>
27 <u>XV and subtitle B of P.L. 109-58 (42 U.S.C. Sec. 15801 et seq.) which</u>
28 <u>have amended the federal resource conservation and recovery act's</u>
29 <u>subtitle I.</u>

30 (8) "Underground storage tank system" means an underground storage 31 tank, connected underground piping, underground ancillary equipment, 32 and containment system, if any.

Except as provided in this section and any rules adopted by the department under this chapter, the definitions contained in the federal regulations apply to the terms in this chapter. 1 Sec. 3. RCW 90.76.020 and 1998 c 155 s 2 are each amended to read 2 as follows:

3 (1) The department shall adopt rules establishing requirements for 4 all underground storage tanks that are regulated under the federal act, 5 taking into account the various classes or categories of tanks to be 6 regulated. The rules must be consistent with and no less stringent 7 than the federal regulations <u>and the underground storage tank</u> 8 <u>compliance act of 2005</u> and consist of requirements for the following:

9 (a) New underground storage tank system design, construction, 10 installation, and notification;

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(b) Upgrading existing underground storage tank systems;

12 (c) General operating requirements;

13 (d) Release detection;

14 (e) Release reporting;

15 (f) Out-of-service underground storage tank systems and closure; 16 ((and))

17 (g) Financial responsibility for underground storage tanks18 containing regulated substances; and

19 (h) Ground water protection measures, including secondary 20 containment and monitoring for installation or replacement of all 21 underground storage tank systems or components, such as tanks and 22 piping, installed after July 1, 2007, and under dispenser spill 23 containment for installation or replacement of all dispenser systems 24 installed after July 1, 2007.

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(2) The department shall adopt rules:

26 (a) Establishing physical site criteria to be used in designating27 local environmentally sensitive areas;

(b) Establishing procedures for local government application forthis designation; and

30 (c) Establishing procedures for local government adoption and 31 department approval of rules more stringent than the statewide 32 standards in these designated areas.

33 (3) The department shall establish by rule an administrative and 34 enforcement program that is consistent with and no less stringent than 35 the program required under the federal regulations in the areas of:

36 (a) Compliance monitoring, including procedures for recordkeeping37 and a program for systematic inspections;

38 (b) Enforcement;

1 (c) Public participation; ((and))

2 (d) Information sharing;

3

(e) Owner and operator training; and

4 (f) Delivery prohibition for underground storage tank systems or
5 facilities that are determined by the department to be ineligible to
6 receive regulated substances.

(4) The department shall establish a program that provides for the 7 annual licensing of underground storage tanks. The license shall take 8 the form of a tank endorsement on the facility's annual master business 9 10 license issued by the department of licensing. A tank is not eligible for a license unless the owner or operator can demonstrate compliance 11 12 with the requirements of this chapter and the annual tank fees have 13 been remitted. The department may revoke a tank license if a facility 14 is not in compliance with this chapter, or any rules adopted under this The master business license shall be displayed by the tank 15 chapter. owner or operator in a location clearly identifiable. 16

17 (5)(a) The department shall issue a one-time "facility compliance tag" to ((correspond with the December 22, 1998, underground storage 18 tank compliance deadline for corrosion, spill, and overfill protection. 19 Facility compliance tags may only be issued for)) underground storage 20 21 tank facilities that have installed the equipment required to meet corrosion protection, spill prevention, ((and)) overfill ((protection 22 standards that are required by December 22, 1998, and at the time of 23 24 tag issuance)) prevention, leak detection standards, have demonstrated 25 financial responsibility, and <u>have</u> paid annual tank fees. The facility 26 shall continue to maintain compliance with corrosion protection, spill 27 prevention, ((and)) overfill ((protection)) prevention and leak detection standards, ((and)) financial responsibility, 28 and have remitted annual tank fees to display a facility compliance tag. 29 The facility compliance tag shall be displayed on or near the fire 30 emergency shutoff device, or in the absence of such a device in close 31 32 proximity to the fill pipes and clearly identifiable to persons delivering regulated substance to underground storage tanks. 33

(b) The department may revoke a facility compliance tag if a
facility is not in compliance with the requirements ((needed to obtain
or display the tag)) of this chapter, or any rules adopted under this
<u>chapter</u>.

1 (6) The department may place a red tag on a tank at a facility if 2 the department determines that the owner or operator is not in 3 compliance with this chapter or the rules adopted under this chapter 4 regarding the compliance requirements related to that tank. Removal of 5 a red tag without authorization from the department is a violation of 6 this chapter.

7 <u>(7)</u> The department may establish programs to certify persons who 8 <u>install or decommission underground storage tank systems or</u> conduct 9 inspections, testing, closure, cathodic protection, interior tank 10 lining, corrective action, <u>site assessments</u>, or other activities 11 required under this chapter. Certification programs shall be designed 12 to ensure that each certification will be effective in all 13 jurisdictions of the state.

14 (((7))) (8) When adopting rules under this chapter, the department 15 shall consult with the state building code council to ensure 16 coordination with the building and fire codes adopted under chapter 17 19.27 RCW.

18 Sec. 4. RCW 90.76.050 and 1998 c 155 s 4 are each amended to read 19 as follows:

20 (1) ((Between June 11, 1998, and December 22, 1998, persons 21 delivering regulated substances to underground storage tanks shall not 22 deliver to facilities that do not have an underground storage tank 23 license. This subsection expires December 22, 1998.

24 (2) After December 22, 1998,)) A person((s)) delivering regulated substances to underground storage tanks shall not deliver or deposit 25 26 regulated substances to underground storage tanks or facilities that do not have a facility compliance tag displayed as required in RCW 27 90.76.020(5)(a). Additionally, a person delivering regulated 28 substances to underground storage tanks shall not deliver or deposit 29 regulated substances to an individual underground storage tank on which 30 the department has placed a red tag under RCW 90.76.020(6). 31

32 (2) An owner or operator of an underground storage tank system or 33 facility shall not accept delivery or deposit of regulated substances 34 to that underground storage tank system or facility, if the system does 35 not have a facility compliance tag displayed as required in RCW 36 90.76.020(5)(a). Additionally, an owner or operator of an underground

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storage tank system or facility shall not accept delivery or deposit of regulated substances to an individual underground storage tank on which the department has placed a red tag under RCW 90.76.020(6).

(3) A supplier shall not refuse to deliver regulated substances to 4 5 an underground storage tank regulated under this chapter on the basis of its potential to leak contents where the facility ((is either 6 7 tagged)) displays a valid facility compliance tag as required in this chapter ((or is in compliance with federal underground storage tank 8 9 regulations and any state or local regulations then in effect)), and 10 the department has not placed a red tag on the underground storage This section does not apply to a supplier who does not directly 11 tank. 12 transfer a regulated substance into an underground storage tank.

13 **Sec. 5.** RCW 90.76.070 and 1989 c 346 s 8 are each amended to read 14 as follows:

The director may seek appropriate injunctive or other judicial relief by filing an action in Thurston county superior court or issue such order as the director deems appropriate to:

(1) Enjoin any threatened or continuing violation of this chapter
 <u>or rules adopted under this chapter</u>;

20 (2) Restrain immediately and effectively a person from engaging in 21 unauthorized activity that results in a violation of any requirement of 22 this chapter <u>or rules adopted under this chapter</u> and is endangering or 23 causing damage to public health or the environment;

(3) Require compliance with requests for information, access,
 testing, or monitoring under RCW 90.76.060; or

26 (4) Assess and recover civil penalties authorized under RCW 27 90.76.080.

28 **Sec. 6.** RCW 90.76.080 and 1995 c 403 s 639 are each amended to 29 read as follows:

30 (1) ((Except as provided in RCW 43.05.060 through 43.05.080 and 31  $43.05.150_r$ )) <u>A</u> person who fails to notify the department pursuant to 32 tank notification requirements or who submits false information is 33 subject to a civil penalty not to exceed five thousand dollars per 34 violation.

35 (2) ((Except as provided in RCW 43.05.060 through 43.05.080 and

43.05.150,)) <u>A</u> person who violates this chapter <u>or rules adopted under</u>
 <u>this chapter</u> is subject to a civil penalty not to exceed five thousand
 dollars for each tank per day of violation.

4 (3) A person incurring a penalty under this chapter or rules 5 adopted under this chapter may apply to the department in writing for 6 the remission or mitigation of the penalty as set out in RCW 7 <u>43.21B.300</u>. A person also may appeal a penalty directly to the 8 pollution control hearings board in accordance with RCW 43.21B.300.

9 Sec. 7. RCW 90.76.090 and 1998 c 155 s 6 are each amended to read 10 as follows:

11 (1) An annual tank fee of one hundred <u>twenty</u> dollars per tank is 12 effective ((from)) July 1, ((1998, to June 30, 1999)) 2007, to June 30, 13 2008. An annual tank fee of one hundred forty dollars per tank is effective from July 1, 2008, to June 30, 2009. Effective July 1, 2009, 14 the annual tank fee will increase up to one hundred sixty dollars per 15 tank unless the department has received sufficient additional federal 16 grant funding to offset the increased cost of implementation of the 17 underground storage tank compliance act of 2005 (Title XV, Subtitle B 18 of the energy policy act of 2005). Annually, beginning on July 1, 19 20 ((1999)) 2010, and upon a finding by the department that a fee increase 21 is necessary, the previous tank fee amount may be increased up to the fiscal growth factor for the next year. The fiscal growth factor is 22 23 calculated by the office of financial management under RCW 43.135.025 24 for the upcoming biennium. The department shall use the fiscal growth factor to calculate the fee for the next year and shall publish the new 25 26 fee by March 1st before the year for which the new fee is effective. 27 The new tank fee is effective from July 1st to June 30th of every year. The tank fee shall be paid by every person who: 28

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(a) Owns an underground storage tank located in this state; and

30 (b) Was required to provide notification to the department under 31 the federal act.

This fee is not required of persons who have (i) permanently closed their tanks, and (ii) if required, have completed corrective action in accordance with the rules adopted under this chapter.

35 (2) The department may authorize the imposition of additional36 annual local tank fees in environmentally sensitive areas designated

under RCW 90.76.040. Annual local tank fees may not exceed fifty
 percent of the annual state tank fee.

3 (3) State and local tank fees collected under this section shall be
4 deposited in the account established under RCW 90.76.100.

5 (4) Other than the annual local tank fee authorized for 6 environmentally sensitive areas, no local government may levy an annual 7 tank fee on the ownership or operation of an underground storage tank.

8 Sec. 8. RCW 90.76.110 and 1991 c 83 s 1 are each amended to read 9 as follows:

(1) Except as provided in RCW 90.76.040 and subsections (2), (3), (4), and (5) of this section, the rules adopted under this chapter supersede and preempt any state or local underground storage tank law, ordinance, or resolution governing any aspect of regulation covered by the rules adopted under this chapter.

15 (2) Provisions of the ((uniform)) <u>international</u> fire code adopted 16 under chapter 19.27 RCW, which are not more stringent than, and do not 17 directly conflict with, rules adopted under this chapter are not 18 superseded or preempted.

19 (3) Local laws, ordinances, and resolutions pertaining to local 20 authority to take immediate action in response to a release of a 21 regulated substance are not superseded or preempted.

(4) City, town, or county underground storage tank ordinances that are more stringent than the federal regulations and the uniform codes adopted under chapter 19.27 RCW and that ((are)) were in effect on or before November 1, 1988, are not superseded or preempted. ((A city, town, or county with an ordinance that meets these criteria shall notify the department of the existence of that ordinance by July 1, 1989.))

(5) Local laws, ordinances, and resolutions pertaining to permits and fees for the use of underground storage tanks in street right of ways that were in existence prior to July 1, 1990, are not superseded or preempted.

33 **Sec. 9.** RCW 43.21B.300 and 2004 c 204 s 4 are each amended to read 34 as follows:

(1) Any civil penalty provided in RCW 18.104.155, 70.94.431,
 70.105.080, 70.107.050, 88.46.090, 90.03.600, 90.48.144, 90.56.310, and

90.56.330 and chapter 90.76 RCW shall be imposed by a notice in 1 2 writing, either by certified mail with return receipt requested or by personal service, to the person incurring the penalty from the 3 department or the local air authority, describing the violation with 4 reasonable particularity. Within thirty days after the notice is 5 received, the person incurring the penalty may apply in writing to the 6 7 department or the authority for the remission or mitigation of the penalty. Upon receipt of the application, the department or authority 8 9 may remit or mitigate the penalty upon whatever terms the department or 10 the authority in its discretion deems proper. The department or the authority may ascertain the facts regarding all such applications in 11 12 such reasonable manner and under such rules as it may deem proper and 13 shall remit or mitigate the penalty only upon a demonstration of extraordinary circumstances such as the presence of information or 14 15 factors not considered in setting the original penalty.

16 (2) Any penalty imposed under this section may be appealed to the 17 pollution control hearings board in accordance with this chapter if the 18 appeal is filed with the hearings board and served on the department or 19 authority thirty days after the date of receipt by the person penalized 20 of the notice imposing the penalty or thirty days after the date of 21 receipt of the notice of disposition of the application for relief from 22 penalty.

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(3) A penalty shall become due and payable on the later of:

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(a) Thirty days after receipt of the notice imposing the penalty;

(b) Thirty days after receipt of the notice of disposition on application for relief from penalty, if such an application is made; or (c) Thirty days after receipt of the notice of decision of the hearings board if the penalty is appealed.

(4) If the amount of any penalty is not paid to the department 29 within thirty days after it becomes due and payable, the attorney 30 general, upon request of the department, shall bring an action in the 31 32 name of the state of Washington in the superior court of Thurston county, or of any county in which the violator does business, to 33 recover the penalty. If the amount of the penalty is not paid to the 34 authority within thirty days after it becomes due and payable, the 35 36 authority may bring an action to recover the penalty in the superior 37 court of the county of the authority's main office or of any county in

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which the violator does business. In these actions, the procedures and
 rules of evidence shall be the same as in an ordinary civil action.

(5) All penalties recovered shall be paid into the state treasury 3 4 and credited to the general fund except those penalties imposed 5 pursuant to RCW 18.104.155, which shall be credited to the reclamation account as provided in RCW 18.104.155(7), RCW 70.94.431, the 6 7 disposition of which shall be governed by that provision, RCW 70.105.080, which shall be credited to the hazardous waste control and 8 9 elimination  $\operatorname{account}((\tau))$  created by RCW 70.105.180,  $((\operatorname{and}))$  RCW 90.56.330, which shall be credited to the coastal protection fund 10 created by RCW 90.48.390, and RCW 90.76.080, which shall be credited to 11 the underground storage tank account created by RCW 90.76.100. 12

13 **Sec. 10.** RCW 43.131.393 and 1998 c 155 s 7 are each amended to 14 read as follows:

15 The underground storage tank program shall be terminated on July 1, 16 ((2009)) 2019, as provided in RCW 43.131.394.

Sec. 11. RCW 43.131.394 and 1998 c 155 s 8 are each amended to read as follows: The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective July 1, ((2010)) 2020:

(1) RCW 90.76.005 and <u>2006 c ... s 1 (section 1 of this act) &</u> 1989 c 346 s 1;

23 (2) RCW 90.76.010 and <u>2006 c ... s 2 (section 2 of this act)</u>, 1998
24 c 155 s 1, & 1989 c 346 s 2;

25 (3) RCW 90.76.020 and <u>2006 c ... s 3 (section 3 of this act)</u>, 1998 26 c 155 s 2, & 1989 c 346 s 3;

27 (4) RCW 90.76.040 and 1998 c 155 s 3 & 1989 c 346 s 5;

(5) RCW 90.76.050 and <u>2006 c ... s 4 (section 4 of this act)</u>, 1998
c 155 s 4, & 1989 c 346 s 6;

30 (6) RCW 90.76.060 and 1998 c 155 s 5 & 1989 c 346 s 7;

31 (7) RCW 90.76.070 and <u>2006 c ... s 5 (section 5 of this act) &</u> 1989 32 c 346 s 8;

33 (8) RCW 90.76.080 and <u>2006 c ... s 6 (section 6 of this act)</u>, 1995
34 c 403 s 639, & 1989 c 346 s 9;

35 (9) RCW 90.76.090 and <u>2006 c ... s 7 (section 7 of this act)</u>, 1998 36 c 155 s 6, & 1989 c 346 s 10;

- 1 (10) RCW 90.76.100 and 1991 sp.s. c 13 s 72 & 1989 c 346 s 11;
- 2 (11) RCW 90.76.110 and <u>2006 c ... s 8 (section 8 of this act)</u>, 1991
- 3 c 83 s 1, & 1989 c 346 s 12;
- 4 (12) ((RCW 90.76.120 and 1989 c 346 s 13;
- 5 (13))) RCW 90.76.900 and 1989 c 346 s 15;
- 6 ((<del>(14)</del>)) <u>(13)</u> RCW 90.76.901 and 1989 c 346 s 14; and
- 7 (((15))) (14) RCW 90.76.902 and 1989 c 346 s 18.

## 8 <u>NEW SECTION.</u> Sec. 12. RCW 90.76.120 (Annual report) and 1989 c

9 346 s 13 are each repealed.

Passed by the Senate March 7, 2007. Passed by the House April 9, 2007. Approved by the Governor April 20, 2007. Filed in Office of Secretary of State April 20, 2007.