

MAINE STATE LEGISLATURE

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NATURAL RESOURCES

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
119TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1731, L.D. 2437, Bill, "An Act to Revise the Funding of the Ground Water Oil Clean-up Fund"

Amend the bill by striking out the title and substituting the following:

'An Act Regarding Oil Storage Facilities and Groundwater Protection'

Further amend the bill in section 1 by striking out all of subsection 6 (page 1, lines 5 to 7 in L.D.) and inserting in its place the following:

'6. Limitation of actions. An action by the board against a certified person for any violation of this chapter relating to a tank or equipment installed on or after September 16, 1991 must be commenced within 3 years after the violation is discovered, but the action may not be commenced more than 15 years after installation of the storage tank or equipment that is the subject of the violation.'

Further amend the bill by striking out all of sections 2 to 11 and inserting in their place the following:

'Sec. 2. Aboveground oil storage tanks; review. The Department of Environmental Protection shall convene a task force by September 1, 2000 to review the current framework for

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R. S.

2 regulating aboveground oil storage tanks. The task force must
 3 include, at a minimum, members representing the department; the
 4 Department of Public Safety, the Office of the State Fire
 5 Marshal; the Oil and Solid Fuel Board; and the regulated
 6 community. The task force shall evaluate and make recommendations
 7 on the following: whether the resources to properly regulate
 8 aboveground oil storage tanks exist; whether the correct agencies
 9 are in charge of regulating aboveground oil storage tanks; and
 10 whether the requirements relating to aboveground oil storage
 11 tanks are adequate. The task force shall submit an initial
 12 report on field-constructed bulk storage tanks by March 1, 2001
 13 and a final report on aboveground oil storage tanks by January 2,
 14 2002 to the joint standing committee of the Legislature having
 15 jurisdiction over natural resources matters, which may report out
 16 a bill regarding field-constructed bulk storage tanks to the
 17 First Regular Session of the 120th Legislature and a bill
 18 regarding the regulation of aboveground oil storage tanks to the
 19 Second Regular Session of the 120th Legislature.

20 **Sec. 3. Groundwater clean-up insurance; review.** The Department
 21 of Environmental Protection shall review the insurance coverage
 22 available for cleanup of prohibited discharges of oil. In
 23 conducting its review, the department shall consider the
 24 following issues: the appropriateness of deductible amounts
 25 required for coverage by the state insurance fund; the
 26 appropriateness of the sources of funding for the state insurance
 27 fund; the appropriateness of coverage under the state insurance
 28 program; the exclusion of certain entities having a connection
 29 with an oil refinery from eligibility for coverage under the
 30 fund; the availability of private liability insurance for
 31 underground oil storage facilities; and other alternative
 32 mechanisms for providing financial assurance. The department may
 33 employ the services of a consultant in conducting its review.
 34 The department shall submit a report by May 15, 2001 to the joint
 35 standing committee of the Legislature having jurisdiction over
 36 natural resources matters with its findings and any
 37 recommendations. The joint standing committee of the Legislature
 38 having jurisdiction over natural resources matters may report out
 39 a bill regarding insurance coverage for cleanup of prohibited
 40 discharges of oil to the First or Second Regular Session of the
 41 120th Legislature.

42 **Sec. 4. Ground Water Oil Clean-up Fund; review.** The Department
 43 of Environmental Protection shall conduct a review of the Ground
 44 Water Oil Clean-up Fund, established in the Maine Revised
 45 Statutes, Title 38, section 569-B. In conducting its review, the
 46 department shall undertake a detailed budgetary analysis of the
 47 sources of funding for and the disbursement of money from the
 48 Ground Water Oil Clean-up Fund, including the use of money

in the fund for department staff costs and for expenditures not directly related to the department's groundwater clean-up program and shall consider the following issues: whether certain disbursements from the fund should be paid for from other funds; whether income to the fund is sufficient to cover the need for disbursements from the fund; and the adequacy of the funding of clean-up activities. The department shall submit a report by December 15, 2000 to the joint standing committee of the Legislature having jurisdiction over natural resources matters with its findings and recommendations, including recommendations on how to accelerate clean-up activities and improve progress on addressing the backlog of remediation projects and any changes to the fund necessary to accomplish this task. Prior to submitting its final report, the department shall submit a draft to the Fund Insurance Review Board for review. The joint standing committee of the Legislature having jurisdiction over natural resources matters may report out a bill regarding the Ground Water Oil Clean-up Fund to the First or Second Regular Session of the 120th Legislature.

Sec. 5. Allocation. The following funds are allocated from Other Special Revenue funds to carry out the purposes of this Act.

2000-01

ENVIRONMENTAL PROTECTION, DEPARTMENT OF

Remediation and Waste Management

All Other \$95,000

Allocates additional funds for the Ground Water Oil Clean-up Fund to cover certain facilitation and study costs.'

Further amend the bill by inserting at the end before the summary the following:

FISCAL NOTE

2000-01

APPROPRIATIONS/ALLOCATIONS

Other Funds \$95,000

This bill includes an Other Special Revenue funds allocation of \$95,000 in fiscal year 2000-01 for the Department of

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COMMITTEE AMENDMENT "A" to H.P. 1731, L.D. 2437

2 Environmental Protection for facilitation services to coordinate
the work of the task force and for consultant services to review
groundwater clean-up insurance.

4
6 The additional costs associated with conducting a detailed
review of the Ground Water Oil Clean-up Fund and submitting the
required report can be absorbed by the Department of
8 Environmental Protection utilizing existing budgeted resources.

10 The Department of Public Safety and the Oil and Solid Fuel
Board will incur some minor additional costs to participate as
12 members of the task force. These costs can be absorbed within
the agencies' existing budgeted resources.'

16 **SUMMARY**

18 This amendment changes the statute of limitations provision
in the bill to specify that the statute of limitations for the
20 Board of Underground Oil Storage Tank Installers to bring an
action against a certified underground oil storage tank installer
22 relating to a tank or equipment installed on or after September
16, 1991 is within 3 years of discovery of a violation but no
24 more than 15 years from the date of installation.

26 The amendment strikes all the provisions in the bill related
to the Ground Water Oil Clean-up Fund and instead requires the
28 Department of Environmental Protection to conduct 3 studies. It
requires the department to convene a task force to review the
30 current framework for regulating aboveground oil storage tanks
and submit a report on field-constructed bulk storage tanks by
32 March 1, 2001 and a report on aboveground oil storage tanks by
January 2, 2002; it requires the department to review the
34 insurance coverage available for cleanup of prohibited discharges
of oil and submit a report by May 15, 2001 with its findings and
36 any recommendations; and it requires the department to review, in
consultation with the Fund Insurance Review Board, the Ground
38 Water Oil Clean-up Fund and submit a report by December 15, 2000
with its findings and recommendations. The amendment authorizes
40 the joint standing committee of the Legislature having
jurisdiction over natural resources matters to report out
42 legislation relating to these studies.

44 The amendment adds an allocation section and a fiscal note
to the bill.

COMMITTEE AMENDMENT