# The Florida Senate BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared	By: The Profe	essional Sta	aff of the Env	ironmental Preserv	ation and Conservation Committee					
BILL:	SB 2018									
INTRODUCER:	Senator Posey									
SUBJECT:	Financial assistance for contaminated petroleum storage sites									
DATE:	March 17, 2	800	REVISED:	03/19/08						
ANAL <sup>*</sup> 1. Branning	'ST STAFF DIRECTOR Kiger		REFERENCE EP	ACTION  Fav/1 amendment						
2.				JU						
3. 4.				GA						
+ 5.										
5.										
	Please	see Sec	ction VIII.	for Addition	al Information:					
Δ	A. COMMITTEE SUBSTITUTE Statement of Substantial Changes									
E	B. AMENDMEN	TS X Technical ar			nents were recommended					
				Amendments were recommended						
				Significant amend	ments were recommended					

### I. Summary:

This bill provides that a contaminated petroleum site acquired by the *current owner* prior to July 1, 1990, which has ceased operating as a petroleum storage or retail business prior to January 1,1985, is eligible for financial cleanup assistance. Further, the bill clarifies that a transfer of property to a spouse, a surviving spouse in trust or free of trust, or a revocable trust created for the benefit of the settler does not disqualify the site from participating in the program.

This bill substantially amends s. 376.30715, F.S.

#### II. Present Situation:

The Legislature enacted the State Underground Petroleum Environmental Response Act of 1986 (SUPER Act) to address the problems of pollution from leaking underground petroleum storage systems. As an incentive to report and clean up contamination from leaking petroleum storage systems, the SUPER Act established the Early Detection Incentive Program or EDI. The EDI program was an amnesty program that allowed owners or operators of contaminated sites to clean up the sites themselves using private contractors and their own funds and then be

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reimbursed from the state's Inland Protection Trust Fund (IPTF), or have their sites listed on the state's priority cleanup list and wait for the state to clean up the sites

The EDI program's eligibility ended on December 31, 1988; however the state recognized that there was a continuing need to provide financial assistance for cleanup of sites that had abandoned or unutilized petroleum storage systems. To address this continuing need, the Abandoned Tank Restoration Program was established in 1990 to provide financial assistance for cleanup of these sites. Sites accepted into this program were eligible for reimbursement of cleanup costs after satisfying certain criteria.

Comprehensive legislation was passed in 1996 that moved the program from a reimbursement program to a prior-approval program, which is the program that exists today. Among other things, the legislation created a new cost-sharing amnesty program called the Petroleum Cleanup Participation Program and provided for another cost-share program to allow sites to be cleaned up out of priority order to facilitate real property transactions or public works projects.

In 2005, the Legislature created the Innocent Victim Petroleum Storage System Restoration Program for property owners with contaminated sites that were acquired prior to July 1, 1990. To be eligible for cleanup, the site must have ceased operating as a petroleum storage or retail business prior to January 1, 1985.

As of February 2008, there are 17,789 eligible petroleum facilities in the petroleum cleanup program.

# III. Effect of Proposed Changes:

This bill amends s. 376.30715, F.S., relating to the Innocent Victim Petroleum Storage System Restoration Program. The bill provides that a contaminated site acquired by the *current owner* prior to July 1, 1990, which has ceased operating as a petroleum storage or retail business prior to January 1,1985, is eligible for financial cleanup assistance.

The bill further clarifies that a transfer of property to a spouse, a surviving spouse in trust or free of trust, or a revocable trust created for the benefit of the settler does not disqualify the site from participating in the program. Currently, the Department of Environmental Protection (DEP) has determined that under the statutory provisions, moving the qualified property into a revocable trust or a surviving spouse inheriting the property *does* constitute a change in ownership which would disqualify the property from the program.

# IV. Constitutional Issues:

A.	Municipality/	County	Mandates	Restrictions:
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None.

B. Public Records/Open Meetings Issues:

None.

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#### C. Trust Funds Restrictions:

None.

# V. Fiscal Impact Statement:

#### A. Tax/Fee Issues:

None.

# B. Private Sector Impact:

This bill will allow property owners who have been denied eligibility under the innocent victims restoration program because the property had been transferred to a spouse to now qualify for financial assistance under the program. It is not known how many properties would be added to the list to receive state financial restoration assistance. The DEP has several cases involving trusts or inheritances pending that could be resolved by the provisions of this bill. It is anticipated that actual number of properties that would qualify for state financial assistance would be very small.

# C. Government Sector Impact:

Additional properties would be added to the list of properties eligible for state financial assistance for cleanup and restoration. The average cost to clean up a site is about \$400,000. The actual number of sites to be added to the list is expected to be very small.

#### VI. Technical Deficiencies:

On line 23 of the bill, the reference should read "376.305(6)" instead of "376.3071(5)".

#### VII. Related Issues:

None.

#### VIII. Additional Information:

### A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

# B. Amendments:

# **Barcode 484414 by Environmental Preservation and Conservation:**

Technical amendment to correct a cross reference.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.