

**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 Professional Staff of the Committee on Appropriations

BILL: SB 100  
 INTRODUCER: Senator Simpson  
 SUBJECT: Petroleum Restoration Program  
 DATE: February 2, 2016      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Hinton</u>	<u>Rogers</u>	<u>EP</u>	<b>Favorable</b>
2.	<u>Howard</u>	<u>DeLoach</u>	<u>AGG</u>	<b>Recommend: Favorable</b>
3.	<u>Howard</u>	<u>Kynoch</u>	<u>AP</u>	<b>Pre-meeting</b>

**I. Summary:**

SB 100 revises certain provisions of the Petroleum Restoration Program. Specifically, the bill:

- Expands the eligibility requirements of the Abandoned Tanks Restoration Program (ATRP);
- Specifies that sites participating in the Petroleum Cleanup Participation Program (PCPP) are not eligible for the ATRP;
- Removes the provision that a property owner must provide evidence that he or she had a complete understanding of the previous ownership and use of the property prior to acquiring the property;
- Removes the exclusion eligibility for sites which are owned by a person who had knowledge of the polluting condition when title was acquired;
- Changes the name of the “low-scored site initiative” (LSSI) to the “low-risk site initiative” (LRSI) and revises the criteria that must be met to participate in the LRSI;
- Increases the amount of money that may be encumbered from the Inland Protection Trust Fund each year to fund the LRSI from \$10 million to \$15 million, increasing the funding limit per site from \$30,000 to \$35,000, and allowing for an additional \$35,000 for limited remediation activities needed to achieve a “No Further Action” order;
- Removes the reporting deadline for sites to participate in the PCPP;
- Decreases the number of sites that may be bundled and eligible to compete for performance based contracts under the Advanced Cleanup Program (ACP) from 20 to 10;
- Increases the annual funding cap from \$15 million to \$25 million for the ACP; and
- Allows a property owner or responsible party to enter into a voluntary cost share agreement for bundling multiple sites and specifies the sites are not subject to the agency term contractor assignment pursuant to rule.

While the bill has a significant fiscal impact (see Section V. Fiscal Impact Statement), the

Fiscal Year 2015-2016 General Appropriations Act provided \$125 million from the Inland Protection Trust Fund within the Department of Environmental Protection (DEP) to support these programs.

The bill provides an effective date of July 1, 2016.

## II. Present Situation:

### Water Quality Standards

Under s. 303 of the federal Clean Water Act (CWA), states are incentivized to adopt water quality standards (WQSs) for their navigable waters and must review and update those standards at least once every three years. These standards include:

- Designation of a waterbody's beneficial uses, such as water supply, recreation, fish propagation, and navigation;
- Water quality criteria that define the amounts of pollutants, in either numeric or narrative standards, that the waterbody can contain without impairment of the designated beneficial uses; and
- Anti-degradation requirements.<sup>1</sup>

### Petroleum Restoration Program

Petroleum is stored in thousands of underground and aboveground storage tank systems throughout Florida. Releases of petroleum into the environment may occur as a result of accidental spills, storage tank system leaks, or poor maintenance practices.<sup>2</sup> These discharges pose a significant threat to groundwater quality, and Florida relies on groundwater for 90 percent of its drinking water.<sup>3</sup> The identification and cleanup of petroleum contamination is particularly challenging due to Florida's diverse geology, diverse water systems, and the complex dynamics between contaminants and the environment.<sup>4</sup>

In 1983, Florida began enacting legislation to regulate underground and aboveground storage tank systems in an effort to protect Florida's groundwater from past and future petroleum releases.<sup>5</sup> The Department of Environmental Protection (DEP) is responsible for regulating these storage tank systems. In 1986, the Legislature enacted the State Underground Petroleum Environmental Response Act (SUPER Act) to address the pollution problems caused by leaking underground petroleum storage systems.<sup>6</sup> The SUPER Act authorized the DEP to establish criteria for the prioritization, assessment and cleanup, and reimbursement for cleanup of contaminated areas, which led to the creation of the Petroleum Restoration Program (Restoration Program). The Restoration Program establishes the requirements and procedures for cleaning up contaminated land as well as the circumstances under which the state will pay for the cleanup.

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<sup>1</sup> 33 U.S.C. s. 1313(c)(2)(A) (2014); 40 C.F.R. ss. 131.6 and 131.10-131.12.

<sup>2</sup> DEP, Guide to Florida's Petroleum Cleanup Program 1 (2002), (on file with the Senate Committee on Environmental Preservation and Conservation.

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

<sup>5</sup> Ch. 83-310, Laws of Fla.

<sup>6</sup> Ch. 86-159, Laws of Fla.

## **Abandoned Tank Restoration Program**

In 1990, the Legislature established the Abandoned Tank Restoration Program (ATRP). The ATRP was created to address the contamination at facilities that had out-of-service or abandoned tanks as of March 1990. The ATRP originally had a one-year application period, but the deadline was subsequently extended twice, to 1992 and then to 1994. In 1996, the Legislature waived the deadline indefinitely for owners who are unable to pay for the closure of abandoned tanks. To be eligible for the ATRP, applicants must certify that the petroleum system has not stored petroleum products for consumption, use, or sale since March 1, 1990.<sup>7</sup>

## **Site Rehabilitation**

Florida law requires land contaminated by petroleum to be cleaned up, or rehabilitated, so that the concentration of each contaminant in the ground is below a certain level.<sup>8</sup> These levels are known as Cleanup Target Levels (CTLs).<sup>9</sup> Once the CTLs for a contaminated site<sup>10</sup> has been attained, rehabilitation is complete and the site may be closed. When a site is closed, no further cleanup action is required unless the contaminant levels increase above the CTLs or another discharge occurs.<sup>11</sup>

## **State Funding Assistance for Rehabilitation**

In 2002, the average cost to rehabilitate a site was approximately \$300,000, but some sites may cost millions of dollars to rehabilitate.<sup>12</sup> Under Florida law, an owner of contaminated land (site owner) is responsible for rehabilitating the land unless the site owner can show that the contamination resulted from the activities of a previous owner or other third party (responsible party), who is then responsible.<sup>13</sup> Over the years, different eligibility programs have been implemented to provide state financial assistance to certain site owners and responsible parties for site rehabilitation.

To receive rehabilitation funding assistance, a site must qualify under one of the programs outlined in the following table:

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<sup>7</sup> Chapter 89-188, Laws of Fla.

<sup>8</sup> Section 376.3071(5)(b)3., F.S.

<sup>9</sup> *Id.*

<sup>10</sup> A “site” is any contiguous land, sediment, surface water, or groundwater area upon or into which a discharge of petroleum or petroleum products has occurred or for which evidence exists that such a discharge has occurred. The site is the full extent of the contamination, regardless of property boundaries.

<sup>11</sup> DEP, Guide to Florida’s Petroleum Cleanup Program 24 (2002), (on file with the Senate Committee on Environmental Preservation and Conservation.

<sup>12</sup> *Id.* at 26.

<sup>13</sup> Section 376.308, F.S.

<b>Table 1: State Assisted Petroleum Cleanup Eligibility Programs</b>		
<b>Program Name</b>	<b>Program Dates</b>	<b>Program Description</b>
<b>Early Detection Incentive Program (EDI)</b> (s. 376.30371(9), F.S.)	Discharges must have been reported between July 1, 1986, and December 31, 1988, to be eligible	<ul style="list-style-type: none"> <li>• First state-assisted cleanup program</li> <li>• 100 percent state funding for cleanup if site owners reported releases</li> <li>• Originally gave site owners the option of conducting cleanup themselves and receiving reimbursement from the state or having the state conduct the cleanup in priority order</li> <li>• Reimbursement option was phased out, so all cleanups are now conducted by the state</li> </ul>
<b>Petroleum Liability and Restoration Insurance Program (PLRIP)</b> (s. 376.3072, F.S.)	Discharges must have been reported between January 1, 1989, and December 31, 1998, to be eligible	<ul style="list-style-type: none"> <li>• Required facilities to purchase third party liability insurance to be eligible</li> <li>• Provides varying amounts of state-funded site restoration coverage</li> </ul>
<b>Abandoned Tank Restoration Program (ATRP)</b> (s. 376.305(6), F.S.)	Applications must have been submitted between June 1, 1990, and June 30, 1996 <sup>14</sup>	Provides 100 percent state funding for cleanup, less deductible, at facilities that had out-of-service or abandoned tanks as of March 1990
<b>Innocent Victim Petroleum Storage System Restoration Program</b> (s. 376.30715, F.S.)	The application period began on July 1, 2005, and remains open	Provides 100 percent state funding for a site acquired before July 1, 1990, that ceased operating as a petroleum storage or retail business before January 1, 1985
<b>Petroleum Cleanup Participation Program (PCPP)</b> (s. 376.3071(13), F.S.)	PCPP began on July 1, 1996, and accepted applications until December 31, 1998	<ul style="list-style-type: none"> <li>• Created to provide financial assistance for sites that had missed all previous opportunities</li> <li>• Only discharges that occurred before 1995 were eligible</li> <li>• Site owner or responsible party must pay 25 percent of cleanup costs<sup>15</sup></li> <li>• Originally had a \$300,000 cap on the amount of coverage, which was raised to \$400,000 beginning July 1, 2008</li> </ul>
<b>Consent Order (aka “Hardship” or “Indigent”)</b> (s. 376.3071(7)(c), F.S.)	The program began in 1986 and remains open	<ul style="list-style-type: none"> <li>• Created to provide financial assistance under certain circumstances for sites that the DEP initiates an enforcement action to clean up</li> <li>• An agreement is formed whereby the DEP conducts the cleanup and the site owner or responsible party pays for a portion of the costs</li> </ul>

As of January 2015, there are 19,261 sites eligible for state funding through one of the above programs. Of these, approximately 8,348 have been rehabilitated and closed, approximately

<sup>14</sup> The ATRP originally had a one-year application period, but the deadline was extended. The deadline is now waived indefinitely for site owners who are financially unable to pay for the closure of abandoned tanks. Section 376.305(6)(b), F.S.

<sup>15</sup> The 25 percent copay requirement can be reduced or eliminated if the site owner and all responsible parties demonstrate that they are financially unable to comply. Section 376.3071(13)(c), F.S.

5,059 are currently undergoing some phase of rehabilitation, and approximately 5,854 await rehabilitation.<sup>16</sup>

### **Inland Protection Trust Fund**

To fund the cleanup of contaminated sites, the SUPER Act created the Inland Protection Trust Fund (IPTF).<sup>17</sup> The IPTF is funded by an excise tax per barrel on petroleum and petroleum products in or imported into the state.<sup>18</sup> The amount of the excise tax per barrel is determined by a formula, which is dependent upon the unobligated balance of the IPTF.<sup>19</sup> At present, the excise tax is \$10.80 per barrel.<sup>20</sup> For the last three years, on average approximately \$193 million from the excise tax is deposited into the IPTF, of which \$120 million has been appropriated for site rehabilitation.

Funding for rehabilitation of a site is based on a relative risk scoring system. Each funding-eligible site receives a numeric score based on the threat the site contamination poses to the environment or to human health, safety, or welfare.<sup>21</sup> Sites currently in the Restoration Program range in score from 5 to 115 points, with a score of 115 representing a substantial threat and a score of 5 representing a very low threat. Sites are rehabilitated in priority order beginning with the highest score, with funding based on available budget.<sup>22</sup> The DEP sets the priority score funding threshold, which is the minimum score a site must be assigned to receive restoration funding at a particular point in time. Currently, the threshold is set at 30 points.<sup>23</sup>

### **Expediting Site Rehabilitation**

As described above, eligible contaminated sites typically receive state rehabilitation funding in priority order based on their numeric score. However, there are some programs that allow sites to receive funding for rehabilitation or site closure out of priority score order, as long as the sites are eligible under one of the programs in Table 1. Two of these programs are Advanced Cleanup and Low Scored Site Initiative.

#### ***Advanced Cleanup***

Advanced Cleanup (formerly known as Preapproved Advanced Cleanup) is a program that was created in 1996 to allow an eligible site to receive state rehabilitation funding even if the site's priority score does not fall within the threshold currently being funded.<sup>24</sup> The purpose of creating Advanced Cleanup was to facilitate property transactions or public works projects on

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<sup>16</sup> DEP, *Senate Bill 314 Agency Analysis*, (Mar. 13, 2015) (on file with the Senate Committee on Environmental Preservation and Conservation).

<sup>17</sup> Section 376.3071(3)-(4), F.S.

<sup>18</sup> Sections 206.9935(3) and 376.3071(6), F.S.

<sup>19</sup> The amount of the excise tax per barrel is based on the following formula: 30 cents if the unobligated balance is between \$100 million and \$150 million; 60 cents if the unobligated balance is between \$50 million and \$100 million; and 80 cents if the unobligated balance is \$50 million or less. Section 206.9935(3), F.S.

<sup>20</sup> DOR, Pollutants Tax, <http://dor.myflorida.com/dor/taxes/fuel/pollutants.html> (last visited Oct. 19, 2015).

<sup>21</sup> Fla. Admin. Code R. 62-771.100.

<sup>22</sup> Fla. Admin. Code R. 62-771.300.

<sup>23</sup> DEP, *Senate Bill 314 Agency Analysis*, (Mar. 13, 2015) (on file with the Senate Committee on Environmental Preservation and Conservation).

<sup>24</sup> Section 376.30713(1), F.S.

contaminated sites.<sup>25</sup> To participate in Advanced Cleanup, a site must be eligible for state rehabilitation funding under the Early Detection Incentive Program (EDI), the Petroleum Liability and Restoration Insurance Program (PLRIP), the Abandoned Tank Restoration Program (ATRP), the Innocent Victim Petroleum Storage System Restoration Program (Innocent Victim), or the Petroleum Cleanup Participation Program (PCPP).<sup>26</sup>

To apply for Advanced Cleanup, a site owner or responsible party must bid a cost share of the total site rehabilitation.<sup>27</sup> The cost share must be at least 25 percent of the total cost of rehabilitation.<sup>28</sup> For PCPP sites, the cost share must be at least 25 percent of the state's share of the rehabilitation, as the site owner or responsible party is already required to pay for 25 percent of the total cost of rehabilitation to be eligible for PCPP.<sup>29</sup> Alternatively, an applicant may use a commitment to pay, a demonstrated cost savings to the DEP, or both to meet this requirement if the application proposes a performance-based contract for the cleanup of 20 or more sites.<sup>30</sup>

In years when the DEP runs a bid cycle, bids may be accepted in two windows of May 1 through June 30 and November 1 through December 31.<sup>31</sup> Bids are awarded based solely on the proposed cost-share percentage and not the estimated dollar amount of that share.<sup>32</sup> The DEP may enter into Advanced Cleanup contracts for a total of up to \$15 million per fiscal year,<sup>33</sup> and no more than \$5 million per fiscal year may be approved for rehabilitation work at an individual facility.<sup>34</sup>

### ***Low Scored Site Initiative***

The Low Scored Site Initiative (LSSI) was created to expedite the assessment and closure of sites that contain minimal contamination and that are not a threat to human health or the environment. To participate in LSSI, a site owner or responsible party must demonstrate that the following criteria are met:

- Upon assessment, the site retains a priority ranking score of 29 points or less;
- No excessively contaminated soil exists onsite;
- A minimum of six months of groundwater monitoring indicates that the plume is shrinking or stable;
- The remaining contamination resulting from petroleum products does not adversely affect adjacent surface waters;
- The area of groundwater contamination is less than one-quarter acre and is confined to the source property boundary; and

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<sup>25</sup> *Id.*

<sup>26</sup> For PCPP sites, Advanced Cleanup is only available if the 25 percent copay requirement of PCPP has not been reduced or eliminated. Section 376.30713(1)(d), F.S.

<sup>27</sup> Section 376.30713(2)(a), F.S.

<sup>28</sup> *Id.*

<sup>29</sup> Section 376.30713(1)(d)-(2)(a), F.S.

<sup>30</sup> Section 376.30713(2)(a)1., F.S.

<sup>31</sup> Section 376.30713(2)(a), F.S.

<sup>32</sup> Section 376.30713(2)(b), F.S.

<sup>33</sup> Section 376.30713(4), F.S.

<sup>34</sup> A "facility" includes, but is not limited to, "multiple site facilities such as airports, port facilities, and terminal facilities even though such enterprises may be treated as separate facilities for other purposes under this chapter." Section 376.30713(4), F.S.

- Soils onsite found between the land surface and two feet below the land surface must meet the soil cleanup target levels (SCTLs) established by the DEP unless human exposure is limited by appropriate institutional or engineering controls.<sup>35</sup>

An assessment is conducted to determine whether the above criteria are met.<sup>36</sup> The state pays the assessment costs for sites eligible for funding under EDI, ATRP, Innocent Victim, PLRIP, or PCPP.<sup>37</sup> Funding for LSSI is limited to \$10 million per fiscal year, which may only be used to fund site assessments.<sup>38</sup> Each site has a funding cap of \$30,000, and each site owner or responsible party is limited to ten eligible sites per fiscal year.<sup>39</sup> Funds are allocated on a first-come, first-served basis.<sup>40</sup> Sites not eligible for state rehabilitation funding may still qualify for closure under LSSI if an assessment reveals that the above criteria are met, but the state will not pay for the assessment.<sup>41</sup>

If the assessment shows the above criteria are met, there are three options for site closure:

- If no contamination is detected during the assessment, the DEP may issue a site rehabilitation completion order;<sup>42</sup>
- If the assessment demonstrates that minimal contamination exists onsite, but the above criteria are met, the DEP may issue an LSSI no further action administrative order. This determination acknowledges that the contamination is not a threat to human health or the environment; or<sup>43</sup>
- If soil between the land surface and two feet below the land surface exceeds SCTLs, but the above criteria are otherwise met, the DEP may issue a site rehabilitation completion order with conditions. This determination requires that institutional and/or engineering controls be put in place to prevent human or environmental exposure to the contamination. The state is not authorized to fund such controls.<sup>44</sup>

If at any time data collected during the assessment indicate that the above criteria for closure will not be met, assessment activities will be terminated.<sup>45</sup> LSSI funding will be discontinued if it is determined at any point that a closure cannot be accomplished within the \$30,000 funding limit, unless the site owner or responsible party is willing to contribute funds to the assessment work.<sup>46</sup> A site determined to be ineligible for LSSI funding retains its current program eligibility and will receive rehabilitation funding in priority order.

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<sup>35</sup> Section 376.3071(11)(b)1., F.S.

<sup>36</sup> DEP Petroleum Restoration Program, Procedural and Technical Guidance for the Low-Scored Site Initiative 9 (2013), available at [http://www.dep.state.fl.us/Waste/quick\\_topics/publications/pss/pcp/screening/LSSI-Guidance\\_30Aug13.pdf](http://www.dep.state.fl.us/Waste/quick_topics/publications/pss/pcp/screening/LSSI-Guidance_30Aug13.pdf) (last accessed Oct. 5, 2015).

<sup>37</sup> *Id.* at 3.

<sup>38</sup> Section 376.3071(11)(b)3.c., F.S.

<sup>39</sup> *Id.*

<sup>40</sup> *Id.*

<sup>41</sup> DEP, Petroleum Restoration Program, Procedural and Technical Guidance for the Low-Scored Site Initiative 1-2 (2013).

<sup>42</sup> Section 376.3071(12)(b)2., F.S.

<sup>43</sup> *Id.*

<sup>44</sup> DEP Petroleum Restoration Program, Procedural and Technical Guidance for the Low-Scored Site Initiative 3 (2013).

<sup>45</sup> *Id.* at 11.

<sup>46</sup> *Id.*

### III. Effect of Proposed Changes:

**Section 1** amends s. 376.305, F.S., concerning the Abandoned Tank Restoration Program.

The bill expands the Abandoned Tank Restoration Program (ATRP) program by removing the reporting deadline, which currently separates eligible from ineligible sites. The expansion of the program will provide state funding eligibility for remediation of a large but indeterminate number of discharges. It also specifies that a site eligible for the PCPP may not participate in the ATRP.

The bill removes a provision specifying that the owner of a site in the ATRP must provide evidence that he or she had a complete understanding of the use of the property prior to acquisition.

The bill removes a section that excludes site owners from eligibility for site rehabilitation funding when the site owner, “had knowledge of the polluting condition when title was acquired, unless the person acquired title to the site after issuance of a notice of site eligibility by the Department of Environmental Protection (DEP).”

**Section 2** amends s. 376.3071, F.S., concerning the Low Risk Site Initiative.

The bill changes the name of the Low Scored Site Initiative to the Low-Risk Site Initiative (LRSI) and makes various changes to the program. The bill requires a responsible party who wishes to participate in LRSI to provide evidence of authorization from the property owner.

To participate in LRSI, the bill requires a property owner or responsible party to submit a “No Further Action” proposal that demonstrates the required criteria are met. In addition, the bill revises the criteria in the following manner:

- Removes the requirement that a contaminated site must have a priority ranking score of 29 points or less;
- Provides a more specific standard for the prohibition on the presence of excessively contaminated soil on the site. Specifically, soil saturated with petroleum or petroleum products, or soil that causes a total corrected hydrocarbon measurement of 500 parts per million (ppm) or higher for Gasoline Analytical Group or 50 ppm or higher for Kerosene Analytical Group, as defined by DEP rule, must not exist onsite as a result of a release of petroleum products;
- Specifies that the requirement that contamination remaining at the site does not adversely affect adjacent surface waters includes the effects of those waters on human health and the environment;
- Removes the requirement that the area of groundwater contamination is less than one-quarter acre;
- Allows the presence of groundwater containing petroleum products’ chemicals of concern that is not confined to the source property boundaries if the chemicals only migrate to a transportation facility of the Florida Department of Transportation; and
- Adds a requirement that the groundwater contamination containing the petroleum products’ chemicals of concern is not a threat to any permitted potable water supply well.



If the DEP determines that the property owner or responsible party has demonstrated that these conditions are met, the DEP must issue a site rehabilitation completion order that incorporates the “No Further Action” proposal. This determination acknowledges that minimal contamination exists onsite and that such contamination is not a threat to the public health, safety, or welfare, water resources, or the environment. If the DEP determines that a discharge for which a site rehabilitation completion order was issued pursuant to LRSI may pose a threat to the public health, safety, or welfare, water resources, or the environment, the issuance of the site rehabilitation completion order does not alter eligibility for state-funded rehabilitation that would otherwise apply.

Under current law, the DEP can approve the cost of the assessment, including six months of groundwater monitoring. The bill authorizes the DEP to approve the cost of both the assessment *and* remediation if the DEP determines that it will result in a finding of “No Further Action”. The approval may be provided in one or more task assignments or modifications. The total amount authorized for a particular site is increased from \$30,000 to \$35,000. The bill authorizes the DEP to pay the costs associated with a professional land survey or specific purpose survey, if needed, and costs associated with obtaining a title report and recording fees. The bill also authorizes the DEP to approve up to an additional \$35,000 for limited remediation, if needed, to achieve a determination of "No Further Action", after the DEP approves the initial site assessment provided by the property owner or a responsible party.

The bill increases the amount of time within which assessment and remediation work must be completed from six months to nine months. If groundwater monitoring is required following the assessment in order to satisfy the LRSI conditions, the DEP may authorize an additional six months to complete the monitoring.

The bill also increases the annual amount of money that may be encumbered from the Inland Protection Trust Fund to fund LRSI from \$10 million to \$15 million.

**Section 3** amends s. 376.30713, F.S., concerning Advanced Cleanup.

The bill reduces the minimum number of sites that a facility owner or operator or other responsible party must bundle in order to be eligible for performance-based contracts under Advanced Cleanup from 20 to 10.

The bill increases the annual allocation for Advanced Cleanup contracts from \$15 million to \$25 million.

The bill allows a property owner or responsible party to enter into a voluntary cost share agreement for bundling multiple sites and to provide a list of the sites to be included in future bundles. The sites that will be included in a future bundle are not subject to agency term contractor assignment pursuant to rule. The DEP may terminate the voluntary cost share agreement if the application to bundle multiple sites is not submitted during the open application period. This provision will extend the period of time listed sites will be remediated because they are not subject to the agency term contractor assignment.

**Section 4** provides an effective date of July 1, 2016.

**IV. Constitutional Issues:****A. Municipality/County Mandates Restrictions:**

None.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

SB 100 appears to have an indeterminate positive fiscal impact on the private sector since more rehabilitation contracts may be awarded as a result of increasing the total funding limits for the Advanced Cleanup and Low-Risk Site Initiative (LRSI) programs.

**C. Government Sector Impact:**

The amended eligibility requirements for the Abandoned Tank Restoration Program (ATRP) are estimated to have an increased recurring cost of \$4.7 million, and the revisions to the Petroleum Clean Participation Program (PCPP) are estimated to have a total cost of \$14.9 million.

For the Low-Risk Site Initiative (LRSI), the bill increases the amount of funding from \$10 million to \$15 million and increases the funding limit per site from \$30,000 to \$35,000. In addition, the bill allows for the approval of an additional \$35,000 per site for limited remediation activities to achieve a “No Further Action” order. The estimated total cost is \$16.5 million over four years. It is also estimated that \$6 million in cost savings may be achieved based on a number of sites receiving a “No Further Action” closure order. These savings could reduce the overall cost increases in the program.

Increases to the annual allocation for the Advanced Cleanup Program contracts from \$15 million to \$25 million and reductions to the number of sites that must be bundled to be eligible to compete for performance-based contracts (from 20 to 10), should result in more sites being cleaned up sooner. This may result in an indeterminate cost savings over time.

The Inland Protection Trust Fund within the Department of Environmental Protection (DEP) is the fund source that supports all petroleum restoration programs that is included

each fiscal year in the General Appropriations Act. The changes to the funding levels for each program provided in the bill should not increase the DEP's overall annual appropriation, as this amount is based on annual revenues estimated by the Revenue Estimating Conference and deposited into the trust fund. Increasing the annual funding for the Low-Risk Site Initiative and Preapproved Advanced Cleanup programs could reduce the funds available for other remaining programs supported by this fund. However, all eligibility petroleum restoration programs are prioritized and funded based on the risk to public health and safety.

The DEP was appropriated \$125 million in the Fiscal Year 2015-2016 General Appropriations Act from the Inland Protection Trust Fund for the Petroleum Tanks Cleanup programs. The DEP has requested \$110 million for the 2016-2017 fiscal year for the programs.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 376.305, 376.3071, and 376.30713.

**IX. Additional Information:**

**A. Committee Substitute – Statement of Changes:**

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

None.

**B. Amendments:**

None.