

FINAL BILL REPORT

SHB 1266

C 23 L 17
Synopsis as Enacted

Brief Description: Concerning petroleum storage tank systems.

Sponsors: House Committee on Environment (originally sponsored by Representatives Peterson, Young and Fitzgibbon).

House Committee on Environment
House Committee on Appropriations
Senate Committee on Energy, Environment & Telecommunications

Background:

The Pollution Liability Insurance Agency (PLIA) provides a government funding model to help owners and operators meet their financial responsibility and environmental cleanup requirements for underground tanks. Funding for the PLIA comes from reinsurance premiums, which are deposited into the Pollution Liability Insurance Program Trust Account, and from heating oil dealer fees and fees for advice and technical assistance, which are deposited into the Heating Oil Pollution Liability Trust Account.

Services provided by the PLIA include:

- reinsurance of pollution liability insurance policies for the owners and operators of underground petroleum storage tanks;
- direct insurance coverage of up to \$60,000 for cleanup of contamination from certain heating oil tanks;
- technical assistance to owners and operators of heating oil tanks if contamination from a release is suspected; and
- written opinions on results of testing to evaluate whether contamination from a heating oil release appears to be a threat to human health and the environment.

The PLIA may provide capital financial assistance to owners and operators of petroleum underground storage tanks who wish to replace or upgrade aged fuel systems, clean up past contamination caused by an underground storage tank release, and upgrade infrastructure to dispense alternative fuels. The PLIA partners with the Department of Health for some portions of the program.

Summary:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The scope of advice and technical assistance provided by the Pollution Liability Insurance Agency (PLIA) to owners and operators of heating oil tank storage systems is expanded to include petroleum storage tank systems identified by the Department of Ecology based on the relative risk posed by the release to human health and the environment.

The PLIA may establish requirements that owners or operators of heating oil tanks report to the PLIA any suspected or confirmed releases that may pose a threat to human health or the environment. Upon notice or discovery of a release, the PLIA is authorized to perform an initial investigation of the release.

The PLIA is authorized to provide written opinions on whether independent remedial actions concerning heating oil storage tank systems and certain petroleum storage tank systems meet the substantive requirements of the Model Toxics Control Act or whether further remedial actions are required. For any written opinions that require an environmental covenant as part of the remedial action, the PLIA must consult the applicable land use planning authority and must periodically review the environmental covenant for effectiveness.

The Heating Oil Pollution Liability Trust Account may carry a balance from year to year.

The PLIA may not expand its technical advice and assistance program to include petroleum storage tank systems until January 1, 2018. In the interim, the PLIA continues to have the authority to provide technical advice and assistance concerning heating oil tanks, including abandoned and decommissioned heating oil tanks.

Votes on Final Passage:

House	98	0
Senate	49	0

Effective: July 23, 2017