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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. **3642**

March 11, 2010

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The bill was read for the first time and referred to the Committee on Environment Policy and Oversight

1.1 A bill for an act
1.2 relating to environment; providing for property acquisition from petroleum tank
1.3 fund proceeds; amending Minnesota Statutes 2008, section 115C.08, subdivision
1.4 1; Minnesota Statutes 2009 Supplement, section 115C.08, subdivision 4.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2008, section 115C.08, subdivision 1, is amended to read:

1.7 Subdivision 1. **Revenue sources.** Revenue from the following sources must be
1.8 deposited in the state treasury and credited to a petroleum tank fund:

1.9 (1) the proceeds of the fee imposed by subdivision 3;

1.10 (2) money recovered by the state under sections 115C.04, 115C.05, and 116.491,
1.11 including administrative expenses, civil penalties, and money paid under an agreement,
1.12 stipulation, or settlement;

1.13 (3) interest attributable to investment of money in the fund;

1.14 (4) money received by the board and agency in the form of gifts, grants other than
1.15 federal grants, reimbursements, or appropriations from any source intended to be used for
1.16 the purposes of the fund;

1.17 (5) fees charged for the operation of the tank installer certification program
1.18 established under section 116.491; ~~and~~

1.19 (6) money obtained from the return of reimbursements, civil penalties, or other
1.20 board action under this chapter; and

1.21 (7) the proceeds from the sales of all properties acquired by the agency under
1.22 subdivision 4.

2.1 Sec. 2. Minnesota Statutes 2009 Supplement, section 115C.08, subdivision 4, is
2.2 amended to read:

2.3 Subd. 4. **Expenditures.** (a) Money in the fund may only be spent:

2.4 (1) to administer the petroleum tank release cleanup program established in this
2.5 chapter;

2.6 (2) for agency administrative costs under sections 116.46 to 116.50, sections
2.7 115C.03 to 115C.06, and costs of corrective action taken by the agency under section
2.8 115C.03, including investigations;

2.9 (3) for costs of recovering expenses of corrective actions under section 115C.04;

2.10 (4) for training, certification, and rulemaking under sections 116.46 to 116.50;

2.11 (5) for agency administrative costs of enforcing rules governing the construction,
2.12 installation, operation, and closure of aboveground and underground petroleum storage
2.13 tanks;

2.14 (6) for reimbursement of the environmental response, compensation, and compliance
2.15 account under subdivision 5 and section 115B.26, subdivision 4;

2.16 (7) for administrative and staff costs as set by the board to administer the petroleum
2.17 tank release program established in this chapter;

2.18 (8) for corrective action performance audits under section 115C.093;

2.19 (9) for contamination cleanup grants, as provided in paragraph (c); ~~and~~

2.20 (10) to assess and remove abandoned underground storage tanks under section
2.21 115C.094 and, if a release is discovered, to pay for the specific consultant and contractor
2.22 services costs necessary to complete the tank removal project, including, but not limited
2.23 to, excavation soil sampling, groundwater sampling, soil disposal, and completion of
2.24 an excavation report; and

2.25 (11) for property acquisition by the agency when the agency has determined that
2.26 purchasing a property where a release has occurred is the most appropriate corrective
2.27 action. The acquisition of all properties is subject to approval by the board.

2.28 (b) Except as provided in paragraph (c), money in the fund is appropriated to the
2.29 board to make reimbursements or payments under this section.

2.30 (c) \$6,200,000 is annually appropriated from the fund to the commissioner of
2.31 employment and economic development for contamination cleanup grants under section
2.32 116J.554. Of this amount, the commissioner may spend up to \$225,000 annually for
2.33 administration of the contamination cleanup grant program. The appropriation does not
2.34 cancel and is available until expended. The appropriation shall not be withdrawn from
2.35 the fund nor the fund balance reduced until the funds are requested by the commissioner
2.36 of employment and economic development. The commissioner shall schedule requests

3.1 for withdrawals from the fund to minimize the necessity to impose the fee authorized by
3.2 subdivision 2. Unless otherwise provided, the appropriation in this paragraph may be
3.3 used for:

3.4 (1) project costs at a qualifying site if a portion of the cleanup costs are attributable
3.5 to petroleum contamination or new and used tar and tar-like substances, including but not
3.6 limited to bitumen and asphalt, but excluding bituminous or asphalt pavement, that consist
3.7 primarily of hydrocarbons and are found in natural deposits in the earth or are distillates,
3.8 fractions, or residues from the processing of petroleum crude or petroleum products as
3.9 defined in section 296A.01; and

3.10 (2) the costs of performing contamination investigation if there is a reasonable basis
3.11 to suspect the contamination is attributable to petroleum or new and used tar and tar-like
3.12 substances, including but not limited to bitumen and asphalt, but excluding bituminous or
3.13 asphalt pavement, that consist primarily of hydrocarbons and are found in natural deposits
3.14 in the earth or are distillates, fractions, or residues from the processing of petroleum crude
3.15 or petroleum products as defined in section 296A.01.