

State of Arizona  
Senate  
Fifty-first Legislature  
First Regular Session  
2013

**CHAPTER 244**  
**SENATE BILL 1080**

AN ACT

AMENDING SECTIONS 49-1015.01 AND 49-1052, ARIZONA REVISED STATUTES; AMENDING LAWS 2004, CHAPTER 273, SECTIONS 8, 9 AND 14; RELATING TO UNDERGROUND STORAGE TANK REGULATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 49-1015.01, Arizona Revised Statutes, is amended to  
3 read:

4 49-1015.01. Regulated substance fund; purpose

5 A. ~~A~~ THE regulated substance fund is established. The director shall  
6 administer the fund. Monies in the fund are CONTINUOUSLY APPROPRIATED AND  
7 ARE exempt from the provisions of section 35-190 relating to lapsing of  
8 appropriations. On notice from the director, the state treasurer shall  
9 invest and divest monies in the fund as provided in section 35-313, and  
10 monies earned from investment shall be credited to the fund.

11 B. The regulated substance fund consists of monies appropriated by the  
12 legislature, underground storage tank tax revenues, assurance account monies  
13 encumbered by the director for implementing work plans and corrective action  
14 plans in which monitored natural attenuation is all or a portion of the  
15 selected remedy, monies reimbursed to the fund and gifts, grants and  
16 donations.

17 C. Monies in the fund shall be used for releases from underground  
18 storage tanks. Monies in the fund are continuously appropriated and shall be  
19 used at sites selected based on an analysis of risk to human health and the  
20 environment by the director as follows:

21 1. For the reasonable and necessary costs of administering and taking  
22 corrective actions of regulated substances if the department cannot locate an  
23 owner or operator of the underground storage tank within ninety days or  
24 within such shorter period as necessary to protect human health or the  
25 environment.

26 2. Notwithstanding paragraph 1, for the reasonable and necessary costs  
27 of taking corrective actions of regulated substances.

28 D. Monies in the fund may also be used for corrective actions related  
29 to a work plan or corrective action plan approved by the department ~~before~~  
30 ~~July 1, 2010~~ in which monitored natural attenuation is all or a portion of  
31 the selected remedy, including corrective actions at sites at which monitored  
32 natural attenuation is not adequate. Monies for monitored natural  
33 attenuation shall be deposited in the monitored natural attenuation account  
34 of the fund and shall only be used for those purposes.

35 E. Monies in the fund shall not be used to implement the water quality  
36 assurance revolving fund program pursuant to chapter 2, article 5 of this  
37 title.

38 Sec. 2. Section 49-1052, Arizona Revised Statutes, is amended to read:  
39 49-1052. Coverage of corrective action costs

40 A. The department shall provide from the assurance account coverage in  
41 the amounts authorized by subsection I of this section and sections 49-1017,  
42 49-1022 and 49-1054 of the costs incurred after September 15, 1989 of the  
43 following:

44 1. Sampling, analysis and reporting that are initiated pursuant to  
45 section 49-1004 and that confirm the presence of a release that requires  
46 corrective action pursuant to section 49-1005.

1           2. Sampling, analysis and reporting that are initiated pursuant to  
2 section 49-1008 and that confirm the presence of a release that requires  
3 corrective action pursuant to section 49-1005.

4           3. Permanent closure pursuant to section 49-1008 before July 1, 1999,  
5 if the owner or operator satisfies both of the following requirements:

6           (a) A release associated with the tank being closed was reported to  
7 the department.

8           (b) The closure of the tank met all applicable closure requirements of  
9 section 49-1008 and rules adopted pursuant to that section.

10          4. Permanent closure of a tank pursuant to section 49-1008 on or after  
11 July 1, 1999, if the owner or operator satisfies all of the following  
12 requirements:

13          (a) The closure of the tank meets all applicable closure requirements  
14 of section 49-1008 and the rules adopted pursuant to that section.

15          (b) A release to native soils was confirmed and reported to the  
16 department before closure activities were initiated.

17          (c) The source of the release is the tank that is being closed.

18          (d) The tank that is being closed met the temporary closure  
19 requirements or the new or upgraded tank requirements in rules adopted  
20 pursuant to section 49-1014 at the time of the release.

21          (e) The tank cannot be repaired under the rules adopted pursuant to  
22 section 49-1014.

23          5. Corrective actions initiated pursuant to section 49-1005.

24          6. Permanent closure pursuant to section 49-1008, for persons  
25 described in subsection I of this section, if all of the following are met:

26          (a) The underground storage tank being closed is the source of a  
27 release to native soil that requires corrective action.

28          (b) Permanent closure of the underground storage tank met all of the  
29 applicable closure requirements of section 49-1008 and the rules adopted  
30 pursuant to that section.

31          (c) A release to native soil associated with the underground storage  
32 tank being closed was reported to the department.

33          (d) The person described in subsection I of this section meets the  
34 requirements of section 49-1016, subsection C.

35          7. Costs incurred for professional fees directly related to the  
36 preparation of an assurance account application. The department shall credit  
37 these fees toward the applicant's copayment obligation.

38          B. The department may provide the coverage required by this section  
39 either by paying the owner, the operator or a designated representative of  
40 the owner or operator or any combination of these persons or a political  
41 subdivision covered by subsection H of this section or by making direct  
42 payments for eligible actions on behalf of the owner, operator or political  
43 subdivision. If the department determines that an application for direct  
44 payment or reimbursement is incomplete, the department within forty-five days  
45 of the application shall notify the owner or operator of the missing  
46 information as specifically as possible and shall permit the owner or

1 operator to provide the additional information within thirty days. On the  
2 request of an applicant, the department shall grant an additional sixty days  
3 to submit the missing information. The grant of additional time tolls the  
4 period for making an interim determination on matters relating to direct  
5 payment or reimbursement pursuant to section 49-1091.

6 C. An owner, an operator, a designated representative of an owner or  
7 operator or a political subdivision covered by subsection H of this section  
8 may apply to the department for coverage of the eligible costs pursuant to  
9 this article and rules adopted pursuant to this article. Any employee of the  
10 owner or operator may submit an application to the department on behalf of  
11 the owner or operator.

12 D. The department shall not pay for eligible costs unless the  
13 department determines that the eligible activities have met, or when  
14 completed will meet, the applicable requirements of section 49-1004 or  
15 49-1005. The department may require by rule that persons who perform payable  
16 eligible activities meet specified standards of qualification and be approved  
17 by the department.

18 E. The department shall not provide any coverage described in this  
19 article to an owner or operator of underground storage tanks described in  
20 section 49-1031, subsection C. The department shall not provide any coverage  
21 described in this article with respect to the substances described in section  
22 49-1031, subsection C, unless the tax imposed by article 2 of this chapter  
23 applies to such substances.

24 F. The department shall not provide any coverage described in this  
25 article to an owner or operator or any person or entity employed or retained  
26 by an owner or operator, if any of the following applies:

27 1. The owner or operator is delinquent in the payment of any fee,  
28 penalty or interest thereon imposed under this chapter and fails to cure that  
29 delinquency within thirty days after receiving notice from the department.  
30 If the owner or operator cures the delinquency more than thirty days after  
31 receiving notice from the department, the owner or operator may submit a new  
32 application for coverage. The new application shall be prioritized for  
33 review and payment in the ordinary course of ranking. If the owner or  
34 operator cures the delinquency within thirty days after receiving notice from  
35 the department, the owner or operator retains the owner's or operator's place  
36 in the priority system. The department shall provide notice of the  
37 delinquency within thirty days after receiving an application for payment  
38 from the assurance account or within sixty days after a work plan is  
39 submitted for preapproval. If the department does not provide notice  
40 pursuant to this paragraph, the department shall not withhold payment based  
41 on that delinquency nor shall the department use that delinquency as a basis  
42 for the department to delay preapproval of corrective actions and related  
43 costs. An owner or operator remains eligible for coverage for other  
44 underground storage tank sites if no fees, penalties or interest is  
45 delinquent for those sites.

1           2. The owner or operator is delinquent in filing any excise tax return  
2 required by section 49-1032, subsection B and fails to cure that delinquency  
3 within thirty days after receiving notice of the delinquency from the  
4 department. If the owner or operator cures the delinquency more than thirty  
5 days after receiving notice from the department, the owner or operator may  
6 submit a new application for coverage. The new application shall be  
7 prioritized for review and payment in the ordinary course of ranking. If the  
8 owner or operator cures the delinquency within thirty days, after receiving  
9 notice from the department, the owner or operator retains the owner's or  
10 operator's place in the priority system. The department shall provide notice  
11 of the delinquency within thirty days after receiving an application for  
12 payment from the assurance account or within sixty days after a work plan is  
13 submitted for preapproval. If the department does not provide notice  
14 pursuant to this paragraph, the department shall not withhold payment based  
15 on that delinquency. The department shall not use a delinquency pursuant to  
16 this paragraph as a basis for the department to delay preapproval or  
17 corrective actions and related costs.

18           3. The underground storage tanks included in the application for  
19 coverage are located at a site that is the subject of an enforcement  
20 proceeding under section 49-1013. The owner or operator remains eligible for  
21 coverage for other sites where underground storage tanks are located if the  
22 owner or operator is not the subject of an enforcement proceeding regarding  
23 those sites. Payment from the assurance account will be withheld during the  
24 time that a final compliance order is in effect only for those costs directly  
25 associated with those activities that are the subject of the compliance  
26 order. Any payment costs that are incurred prior to a compliance order  
27 becoming final and that are not directly associated with the subject of that  
28 compliance order shall be eligible for payment pursuant to this section.  
29 Processing of payment from the assurance account shall not be delayed until a  
30 compliance order becomes final. An owner or operator shall not be considered  
31 to be the subject of an enforcement proceeding for purposes of eligibility  
32 for assurance account payments if any of the following applies:

33           (a) The department has filed an action in superior court unless the  
34 court determines in its discretion on the merits of the action that  
35 withholding payment is an appropriate sanction. Processing of payment shall  
36 be postponed until the court determines the owner's or operator's  
37 eligibility.

38           (b) The department takes corrective actions pursuant to section  
39 49-1017, subsection A, paragraphs 1 and 2, without the consent of the owner  
40 or operator.

41           (c) An owner or operator formally consents in writing to an  
42 administrative order. If the department determines that the owner or  
43 operator is in violation of the consent order, the owner or operator shall  
44 not be considered to be subject to an enforcement proceeding and processing  
45 of payment from the assurance account shall not be delayed until a final  
46 administrative decision is rendered finding that the owner or operator is in

1 violation of the consent order. Payment from the assurance account shall be  
2 withheld only for those costs determined in the final administrative decision  
3 to be incurred for those activities that are the direct subject of the  
4 determined violation of the consent order. Any other payment costs that are  
5 incurred prior to a final administrative decision finding a violation of the  
6 consent order or payment costs that are not the direct subject of the consent  
7 order violation shall be eligible for payment pursuant to this section. For  
8 compliance orders and violated consent orders that become final on or before  
9 November 1, 2000, on satisfaction of a final compliance order or a final  
10 administrative decision on a violated consent order, an owner or operator  
11 regains eligibility of coverage for costs incurred for activities that are  
12 the subject of the final compliance order or final violated consent order.  
13 For compliance orders and violated consent orders that become final after  
14 November 1, 2000, an owner or operator regains coverage for costs incurred  
15 for activities that are the subject of the final compliance order or final  
16 violated consent order, except that the director may withhold coverage of up  
17 to twenty-five per cent of the eligible costs incurred for activities that  
18 are performed to cure the violation and that gave rise to the final  
19 compliance order or final violated consent order if the owner or operator has  
20 not demonstrated good faith attempts to meet the requirements of the final  
21 compliance order or to correct the violation of the consent order. Any  
22 decision by the director to withhold coverage under this subdivision is an  
23 appealable agency action.

24 4. An individual, an owner or operator or any entity seeking coverage  
25 is convicted of fraud relating to performance of eligible activities or to  
26 any claim made for payment from the assurance account. This paragraph  
27 applies only to the individual, the owner or operator or the entity that is  
28 actually convicted of fraud relating to a corrective action or to a claim  
29 made for payment.

30 5. The owner or operator has failed to comply with the financial  
31 responsibility requirements of 40 Code of Federal Regulations part 280,  
32 subpart H with respect to the underground storage tanks included in the  
33 application for coverage and all of the following conditions are met:

34 (a) On or after July 1, 1996, the person seeking coverage is an owner  
35 or operator of the tank.

36 (b) As of July 1, 1996, there are no preexisting conditions precluding  
37 the ability to obtain financial responsibility which would have covered the  
38 release.

39 (c) The release is reported on or after July 1, 1996.

40 (d) The owner or operator fails to provide information to refute both  
41 of the following conditions:

42 (i) The tank was not pumped before July 1, 1996 for the purposes of  
43 removing free product.

44 (ii) Regulated substances were placed in or dispensed from the tank on  
45 or after July 1, 1996.

1 The owner or operator remains eligible for coverage for other sites where the  
2 owner or operator has complied with the financial responsibility requirements  
3 of this paragraph. The conditions described in subdivision (d) of this  
4 paragraph shall not apply to releases reported after January 1, 2000.

5 G. The department shall establish criteria for determining priorities  
6 among the applications for coverage under this article. The criteria shall  
7 include:

8 1. The need for financial assistance. The financial need evaluation  
9 shall include the owner's or operator's corrective action liabilities at all  
10 of the owner's or operator's underground storage tank sites in the state.

11 2. The risk to human health and the environment.

12 3. Whether the coverage is provided as a direct payment to a person  
13 performing an eligible activity.

14 4. The extent to which a delay in providing coverage will affect an  
15 eligible activity in progress.

16 5. The date on which an application for coverage is made.

17 6. The date on which an eligible activity for which coverage is sought  
18 is to be or was taken.

19 7. Whether the payment has been previously deferred because of  
20 insufficient monies in the assurance account and, if deferred, the length of  
21 such deferral.

22 H. The department may provide the coverage described in this article  
23 for eligible activity costs incurred by a political subdivision with respect  
24 to a release from an underground storage tank if the underground storage tank  
25 or the property where the underground storage tank is located comes into the  
26 possession or control of the political subdivision under either title 12,  
27 chapter 8, article 2 or 3.

28 I. The department may provide the coverage described in this article  
29 for eligible activity costs with respect to a release from an underground  
30 storage tank incurred by a person who currently owns the property or a person  
31 with principal control of the property on which the underground storage tank  
32 is or was located or the underground storage tank and who undertakes to meet  
33 the requirements of section 49-1005, but who is not an owner or operator.  
34 For claims paid on or after August 25, 2004, a person who undertakes to meet  
35 the requirements and who is not an owner or an operator is eligible for  
36 ninety per cent coverage, except that if the ten per cent per application  
37 that is not covered exceeds the assessed valuation of the real property, the  
38 person is eligible for one hundred per cent coverage in an application. If  
39 that person is not eligible for one hundred per cent coverage and does not  
40 pay the ten per cent remaining and notwithstanding the limitations prescribed  
41 in section 49-1017, the department shall take corrective action with respect  
42 to that release. A person who takes corrective action pursuant to this  
43 subsection shall submit certification to the department that the person has  
44 paid the remaining costs or has agreed to pay those remaining costs as  
45 demonstrated in an existing agreement.

1 J. Subject to section 38-503 and other applicable statutes and rules,  
2 the department may contract with a private consultant for the purpose of  
3 assisting the department in reviewing work plans, site characterization  
4 reports, corrective action plans, monitoring reports and other information to  
5 determine whether corrective actions meet the criteria and requirements of  
6 this chapter and the rules adopted by the director. If the department  
7 contracts with a consultant pursuant to this section, an owner or operator  
8 may request that the department expedite the review or inspection process by  
9 requesting that the department use the services of the consultant and by  
10 agreeing to pay to the department the costs of the consultant's services.  
11 The department shall not use a private consultant if the fee charged for that  
12 service would be more than the fee the department would charge to provide  
13 that service. The department shall pay the consultant for the services  
14 rendered by the consultant from fees paid by the applicant to the department  
15 pursuant to this section.

16 K. Claims for coverage that are not paid within one hundred eighty  
17 days after receipt by the department of a complete and correct claim accrue  
18 interest at the rate of eight per cent per year. Interest shall not accrue  
19 on any claim that is unpaid as a result of insufficient monies in the area  
20 account for that claim.

21 L. Requests by the department for additional information from  
22 claimants shall be reasonably related to the determination of the validity of  
23 the claim as prescribed by this article.

24 M. Except for claims for appeals costs authorized pursuant to section  
25 49-1091.01, claims for coverage, or a work plan for preapproval, CLAIMS at a  
26 site shall be submitted to the department no more than one year after the  
27 claimant receives a closure letter sent by the department by certified mail  
28 with notice that the claimant has one year to submit a claim for that  
29 release. If the claim is submitted in a timely manner, the claimant may  
30 correct or supplement the claim within a reasonable time as specified by the  
31 department without loss of coverage. If a work plan is submitted in a timely  
32 manner, the claimant, at any time thereafter, may correct, supplement or  
33 resubmit the work plan. Failure to submit a timely claim or work plan shall  
34 result in denial of the claim. Any monies encumbered or set aside regarding  
35 the claim shall be returned to the assurance account, except for those monies  
36 encumbered or set aside for the purpose of well abandonment or site  
37 restoration. The time limit prescribed by this subsection does not apply to  
38 closed releases that are subsequently reopened for the performance of  
39 additional corrective actions or at which corrective actions are proceeding  
40 pursuant to a work plan for preapproval submitted before the release was  
41 closed OR TO RELEASES THAT ARE REPORTED ON OR AFTER JULY 1, 2006 THAT ARE  
42 SUBJECT TO COVERAGE.

43 N. The department shall provide coverage for the costs of corrective  
44 actions relating to soil remediation that are consistent with remediation  
45 standards developed pursuant to chapter 1, article 4 of this title. Payment  
46 may be made for the most cost-effective corrective actions to remediate soil

1 either to the predetermined residential soil clean up levels or site specific  
2 residential soil clean up levels for unrestricted use of the property as  
3 determined by a risk based health assessment performed pursuant to rules  
4 adopted pursuant to article 1 of this chapter. The department shall provide  
5 coverage for the costs of corrective actions relating to groundwater  
6 remediation and for approved corrective action plans that are submitted on or  
7 after August 25, 2004 and for work plans that are associated with an approved  
8 corrective action plan that is submitted to the department on or after August  
9 25, 2004, and payment shall be made only for the most cost-effective risk  
10 based corrective action in accordance with rules adopted under article 1 of  
11 this chapter. On adoption of rules and after a request to the department,  
12 the department shall issue a no further action letter on completion of source  
13 removal and source control and approval of a groundwater monitored natural  
14 attenuation corrective action plan. The department shall provide coverage  
15 for corrective actions related to the control and removal of a source of  
16 contamination but shall not provide coverage for permanent closure of an  
17 underground storage tank. A source of contamination includes any one or more  
18 of the following:

19 1. Free product.

20 2. A regulated substance present in soil that causes or threatens to  
21 cause an exceedance of the aquifer water quality standards.

22 3. A regulated substance present in groundwater at levels that would  
23 prevent timely reduction of contaminant concentrations in comparison with the  
24 performance of active remediation.

25 4. Any other presence of a regulated substance causing an ongoing  
26 source of contamination, as determined by the department.

27 0. If a person intends to seek payment from the assurance account, the  
28 corrective action selected in a corrective action plan shall be the most  
29 cost-effective alternative that meets the requirements of section 49-1005.  
30 Monies from state appropriations shall not be used for administrative costs.  
31 If the most inexpensive corrective action alternative is not selected, the  
32 person shall demonstrate to the department the criteria supporting the  
33 corrective action selected in the corrective action plan. Nothing in this  
34 subsection shall affect the department's review of corrective action costs  
35 pursuant to article 3 of this chapter.

36 P. The coverage provided by this section is available only to the  
37 extent of the monies available in the assurance account. If there are  
38 insufficient monies available in the assurance account to pay all eligible  
39 costs which the department has determined should be paid, the department  
40 shall defer such payment until sufficient monies are available to pay such  
41 eligible costs. The department shall not provide any coverage and the  
42 assurance account is not liable for compensating third parties for bodily  
43 injury or property damage caused by releases from underground storage tanks.

44 Q. The department shall not accept an application to the assurance  
45 account for coverage from an applicant for costs associated with a single  
46 facility more frequently than once each calendar month and the department

1 shall not accept an application for costs associated with a single facility  
2 for an amount of less than five thousand dollars unless any of the following  
3 applies:

4 1. The reimbursement or preapproval application is the final  
5 application associated with the release.

6 2. The application for direct payment is the final application  
7 associated with the preapproved work plan.

8 3. The application is the last application submitted by that applicant  
9 on or before June 30, 2010.

10 Sec. 3. Laws 2004, chapter 273, section 8 is amended to read:

11 Sec. 8. Regulated substance fund; deposit of monies

12 ~~On July 1, 2011, after payment of all claims that were timely submitted~~  
13 ~~to the department of environmental quality,~~ The director of environmental  
14 quality shall transfer ~~all of the following~~ from the underground storage tank  
15 assurance account established pursuant to section 49-1015, Arizona Revised  
16 Statutes, into the regulated substance fund established pursuant to section  
17 49-1015.01, Arizona Revised Statutes, as ~~added~~ AMENDED by this act, ~~+~~

18 ~~1. An amount equal to the amount of copayments made by claimants~~  
19 ~~pursuant to section 49-1052, subsection I, Arizona Revised Statutes, as~~  
20 ~~amended by this act, and section 49-1054, subsection A, Arizona Revised~~  
21 ~~Statutes, as amended by this act, and retained by the underground storage~~  
22 ~~tank assurance account.~~

23 ~~2. any monies remaining~~ in the underground storage tank assurance  
24 account ~~after all claims are paid or extinguished, or both, pursuant to~~  
25 ~~section 9 of this act~~ up to a maximum of sixty million dollars. AFTER THE  
26 TRANSFER OF SIXTY MILLION DOLLARS INTO THE REGULATED SUBSTANCE FUND, any  
27 monies ~~remaining~~ DEPOSITED in the underground storage tank assurance account  
28 in excess of sixty million dollars shall be deposited in the state ~~general~~  
29 HIGHWAY fund ESTABLISHED BY SECTION 28-6991, ARIZONA REVISED STATUTES.

30 ~~3. Any assurance account monies encumbered by the director on or~~  
31 ~~before June 30, 2011 for corrective actions related to a work plan or~~  
32 ~~corrective action plan approved by the department before June 30, 2010 in~~  
33 ~~which monitored natural attenuation is all or a portion of the selected~~  
34 ~~remedy and for which monies may be necessary to meet the standards for case~~  
35 ~~closure. Nothing in this paragraph shall be construed to affect the existing~~  
36 ~~statutory claims process for claims involving monitored natural attenuation.~~  
37 ~~Monies encumbered for monitored natural attenuation pursuant to this~~  
38 ~~paragraph shall be deposited in the monitored natural attenuation account of~~  
39 ~~the regulated substance fund.~~

40 Sec. 4. Laws 2004, chapter 273, section 9 is amended to read:

41 Sec. 9. Underground storage tank assurance account; termination  
42 of eligibility

43 Notwithstanding any other law:

44 1. From and after June 30, 2006, only releases of a regulated  
45 substance that are reported before July 1, 2006 as provided in section  
46 49-1004, Arizona Revised Statutes, are subject to coverage for corrective

1 action costs from the underground storage tank assurance account EXCEPT THAT  
2 RELEASES THAT ARE REPORTED ON OR AFTER JULY 1, 2006 AND THAT ARE REPORTED AT  
3 A SITE THAT IS OTHERWISE IN COMPLIANCE WITH TITLE 49, ARIZONA REVISED  
4 STATUTES, AND RULES ENACTED UNDER THAT AUTHORITY AND THAT COULD NOT HAVE BEEN  
5 REPORTED BEFORE JULY 1, 2006 WITH THE EXERCISE OF REASONABLE DILIGENCE ARE  
6 ELIGIBLE FOR COVERAGE. IF THE UNDERGROUND STORAGE TANK ASSURANCE ACCOUNT  
7 DOES NOT HAVE SUFFICIENT MONIES TO PAY FOR COVERAGE OF ALL RELEASES, RELEASES  
8 THAT ARE REPORTED ON OR AFTER JULY 1, 2006 ARE ELIGIBLE FOR COVERAGE FOR  
9 CORRECTIVE ACTION COSTS FROM THE UNDERGROUND STORAGE TANK ASSURANCE ACCOUNT  
10 IN PRIORITY AFTER RELEASES OF A REGULATED SUBSTANCE THAT ARE REPORTED BEFORE  
11 JULY 1, 2006.

12 2. An application for reimbursement for or direct payment of eligible  
13 reasonable and necessary costs from the underground storage tank assurance  
14 account shall be filed with the department of environmental quality no later  
15 than 5:00 p.m. on ~~June 30, 2010~~ DECEMBER 31, 2015.

16 3. An application for preapproval made pursuant to section 49-1052,  
17 subsection I, Arizona Revised Statutes, or section 49-1053, Arizona Revised  
18 Statutes, shall be filed with the department of environmental quality no  
19 later than 5:00 p.m. on ~~June 30, 2009~~ DECEMBER 31, 2014.

20 4. Any application made or expense incurred after ~~June 30, 2010~~  
21 DECEMBER 31, 2015 is not eligible for coverage from the underground storage  
22 tank assurance account and all such claims are extinguished.

23 5. THE DEPARTMENT OF ENVIRONMENTAL QUALITY IS NOT REQUIRED TO TAKE ANY  
24 ACTION ON AN APPLICATION FOR COVERAGE, REIMBURSEMENT OR PAYMENT FROM THE  
25 UNDERGROUND STORAGE TANK ASSURANCE ACCOUNT OR ON AN APPLICATION FOR  
26 PREAPPROVAL UNTIL AFTER THE UNDERGROUND STORAGE TANK PROGRAM STUDY COMMITTEE  
27 SUBMITS A REPORT OF ITS FINDINGS AND RECOMMENDATIONS TO THE GOVERNOR, THE  
28 PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND  
29 ONLY IF THE UNDERGROUND STORAGE TANK ASSURANCE ACCOUNT HAS SUFFICIENT MONIES  
30 TO PAY CLAIMS.

31 6. IF THE UNDERGROUND STORAGE TANK ASSURANCE ACCOUNT DOES NOT HAVE  
32 SUFFICIENT MONIES TO PAY ALL CLAIMS BY THE DATE OF THE TERMINATION OF THE  
33 ACCOUNT AS OTHERWISE PROVIDED BY LAW, ANY CLAIMS UNPAID ON THE DATE OF  
34 TERMINATION OF THE ACCOUNT ARE EXTINGUISHED WITHOUT REGARD TO WHETHER THOSE  
35 CLAIMS WERE ELIGIBLE FOR COVERAGE FROM THE ACCOUNT.

36 Sec. 5. Laws 2004, chapter 273, section 14 is amended to read:

37 Sec. 14. Effective date

38 ~~A-~~ Section 7 of this act, relating to the repeal of title 49, chapter  
39 6, articles 2 and 3, Arizona Revised Statutes, is effective ~~on the earlier of~~  
40 ~~the following:~~

41 ~~1. Receipt of sixty million dollars into the regulated substance fund~~  
42 ~~established by section 49-1015.01, Arizona Revised Statutes, as added by this~~  
43 ~~act, after payment and extinguishment of all claims that were timely~~  
44 ~~submitted and transfer of monies as prescribed by section 8, paragraph 2 of~~  
45 ~~this act.~~

1           ~~2. Receipt of sixty million dollars into the regulated substance fund~~  
2 ~~established by section 49 1015.01, Arizona Revised Statutes, as added by this~~  
3 ~~act, from monies transferred pursuant to this paragraph. If the regulated~~  
4 ~~substance fund does not receive sixty million dollars pursuant to paragraph 1~~  
5 ~~of this section, the director of environmental quality shall deposit into the~~  
6 ~~regulated substance fund monies collected by the department pursuant to~~  
7 ~~section 49 1031, Arizona Revised Statutes, until a total of sixty million~~  
8 ~~dollars of tax revenues collected pursuant to section 49 1031, Arizona~~  
9 ~~Revised Statutes, in addition to monies encumbered and deposited in the~~  
10 ~~monitored natural attenuation account, is received by the regulated substance~~  
11 ~~fund.~~

12           ~~3. December 31, 2013~~ 2015.

13           ~~B. The director of environmental quality shall immediately provide~~  
14 ~~written notice to the director of the Arizona legislative council when the~~  
15 ~~regulated substance fund has received a total of sixty million dollars of tax~~  
16 ~~revenues as prescribed by this section.~~

17           Sec. 6. Underground storage tank program study committee;  
18                 membership; duties; delayed repeal

19           A. The underground storage tank program study committee is established  
20 consisting of the following members:

21           1. Three members of the house of representatives who are appointed by  
22 the speaker of the house of representatives, not more than two of whom are  
23 members of the same political party. The speaker of the house shall  
24 designate one of these members to serve as cochairperson of the committee.

25           2. Three members of the senate who are appointed by the president of  
26 the senate, not more than two of whom are members of the same political  
27 party. The president of the senate shall designate one of these members to  
28 serve as cochairperson of the committee.

29           3. The governor or the governor's designee.

30           4. The director of the department of environmental quality or the  
31 director's designee.

32           5. The director of the department of transportation or the director's  
33 designee.

34           6. The attorney general or the attorney general's designee.

35           7. A representative of an association of cities and towns in this  
36 state who is appointed by the speaker of the house of representatives.

37           8. A representative of an association of retail sellers of petroleum  
38 products in this state who is appointed by the speaker of the house of  
39 representatives.

40           9. A representative of a regional association of companies that  
41 produce, refine, transport and market petroleum products who is appointed by  
42 the speaker of the house of representatives.

43           10. A representative of insurance companies that provide coverage for  
44 releases from underground storage tanks who is appointed by the speaker of  
45 the house of representatives.

1           11. A representative of environmental consultants that provide services  
2 relating to corrective actions for underground storage tank releases who is  
3 appointed by the speaker of the house of representatives.

4           12. Two public members, one of whom is appointed by the president of  
5 the senate and one of whom is appointed by the speaker of the house of  
6 representatives.

7           B. The committee shall meet to consider and make recommendations on  
8 the following issues relating to the underground storage tank program:

9           1. Needs and possible sources for future funding of the program.

10           2. Financial responsibility requirements and mechanisms for  
11 demonstrating financial responsibility.

12           3. Tank compatibility issues.

13           4. Leak detection.

14           5. Tank inspections, including compliance and maintenance programs.

15           6. Reestablishing eligibility for claims barred by deadlines,  
16 including consideration of unpaid applications made against the underground  
17 storage tank assurance account after June 30, 2010.

18           7. Revenue collection and expenditures.

19           C. The committee may:

20           1. Request information, data and reports from any state agency or  
21 political subdivision of this state and other persons and businesses  
22 interested in the underground storage tank program.

23           2. Hold hearings and take testimony from affected persons including  
24 members of the public.

25           D. The committee shall meet at the call of the chairperson and shall  
26 submit a report of its findings and recommendations to the governor, the  
27 president of the senate and the speaker of the house of representatives on or  
28 before December 31, 2013 and shall provide a copy of the report to the  
29 secretary of state.

30           E. Members of the committee are not eligible to receive compensation  
31 or reimbursement of expenses. Legislative staff shall provide assistance to  
32 the committee.

33           F. This section is repealed on February 28, 2014.

APPROVED BY THE GOVERNOR JUNE 20, 2013.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 21, 2013.