

# Fiscal Note

**BILL #** SB 1730

**TITLE:** underground storage tanks; reimbursement

**SPONSOR:** Shope

**STATUS:** Senate Engrossed

**PREPARED BY:** Maggie Rocker

## Description

The bill would require the Arizona Department of Environmental Quality (ADEQ) to fill 5 unfilled FTE Positions "currently appropriated to [ADEQ] to administer the Underground Storage Tank (UST) program." The bill also requires ADEQ to set aside monies in the UST Fund upon approving an application for preapproval. The bill would amend reimbursement requirements for non-corrective action projects.

## Estimated Impact

We estimate that ADEQ would incur a cost of \$756,000 to the UST Revolving Fund to fill the 5 FTE Positions, based on estimates from the agency. In committee testimony, ADEQ stated they are in the process of filling these positions, so presumably they have the available funding.

ADEQ views the bill as requiring them to set aside monies for pre-approved corrective action projects at a level in the fund that would not leave sufficient monies in the fund for other UST program costs. However, they did not provide estimates of the potential reductions to the other programs or the projected set-aside amount. We have insufficient information to verify ADEQ's perspective.

## Analysis

Underground storage tanks (USTs) are tanks and any connected piping that have at least 10 percent of their combined volume underground. ADEQ implements the UST program to help prevent releases of petroleum and other hazardous substances into the environment.

Subject to the availability of monies in the UST Revolving Fund, UST owners can apply for reimbursement for cleanup and leak prevention activities.

## Local Government Impact

None

3/5/25

