

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 COMMITTEE SUBSTITUTE

4 FOR

HOUSE BILL NO. 2390

By: Liebmann

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7 COMMITTEE SUBSTITUTE

8 An Act relating to the Corporation Commission;
9 amending 17 O.S. 2011, Section 353, which relates to
10 the Petroleum Storage Tank Indemnity Fund; allowing
11 reimbursement to certain government storage tanks;
12 removing minimum cost requirement; deleting obsolete
13 language; providing an effective date; and declaring
14 an emergency.

15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

16 SECTION 1. AMENDATORY 17 O.S. 2011, Section 353, is
17 amended to read as follows:

18 Section 353. A. There is hereby created within the Corporation
19 Commission, the "Petroleum Storage Tank Indemnity Fund". The
20 Director shall hire an Administrator who shall administer the
21 Indemnity Fund and Indemnity Fund Program. The Indemnity Fund shall
22 be administered by the Administrator for the benefit of those
23 persons determined to be eligible by the Administrator to receive
24 total or partial reimbursement for:

1 1. The costs determined to be eligible by the Administrator in
2 preparing a corrective action plan;

3 2. The cost of corrective action taken in response to an
4 eligible release;

5 3. Payment of claims for property damage or personal injury
6 resulting from an eligible release; and

7 4. Necessary costs incidental to the cost of a site assessment
8 or the corrective action taken and for filing and obtaining
9 reimbursement from the Indemnity Fund.

10 B. Reimbursements made to or for the benefit of eligible
11 persons shall be exempt from The Oklahoma Central Purchasing Act.

12 C. 1. Costs incurred as a result of a release from a storage
13 tank system owned or operated by this state ~~or by the federal~~
14 ~~government~~ are ~~not~~ reimbursable pursuant to the provisions of the
15 Oklahoma Petroleum Storage Tank Release Indemnity Program. ~~State~~
16 ~~and federally owned~~ State-owned facilities shall take the proper
17 corrective action as may be necessary to protect the environment
18 from a leaking storage tank system. ~~Provided, that an~~ An agency of
19 the state may also access said fund for reimbursement when it
20 purchases property containing storage tanks from an owner or
21 operator qualified to access the Indemnity Fund and upon which an
22 eligible release has occurred prior to the agency acquiring the
23 property. ~~In such case, the agency of the state shall be reimbursed~~
24 ~~for allowable costs in excess of Five Thousand Dollars (\$5,000.00)~~

1 ~~with the attendant co pay as referenced in subsection H of Section~~
2 ~~356 of this title available to the agency at the same level or~~
3 ~~amount of reimbursement as the qualified owner or operator would~~
4 ~~have received pursuant to Section 356 of this title.~~

5 2. Costs incurred as a result of a release from a storage tank
6 system owned or operated by a Class I Railroad are not reimbursable
7 pursuant to the provisions of the Oklahoma Petroleum Storage Tank
8 Release Indemnity Program.

9 D. The Indemnity Fund shall consist of:

10 1. All monies received by the Commission as proceeds from the
11 assessment imposed pursuant to Section 354 of this title;

12 2. Interest attributable to investment of money in the
13 Indemnity Fund; and

14 3. Money received by the Commission in the form of gifts,
15 grants, reimbursements, or from any other source intended to be used
16 for the purposes specified by or collected pursuant to the
17 provisions of the Oklahoma Petroleum Storage Tank Release Indemnity
18 Program.

19 E. 1. Except as provided ~~for in subsection F of~~ in this
20 section, the monies deposited in the Indemnity Fund shall at no time
21 become monies of the state and shall not become part of the general
22 budget of the Commission or any other state agency. Except as
23 otherwise authorized by ~~subsection F of this section,~~ the Oklahoma
24 Storage Tank Regulation Act and the Oklahoma Petroleum Storage Tank

1 Release Indemnity Program, no monies from the Indemnity Fund shall
2 be transferred for any purpose to any other state agency or any
3 account of the Commission or be used for the purpose of contracting
4 with any other state agency or reimbursing any other state agency
5 for any expense.

6 2. ~~Except as provided for in subsection F of this section, no~~
7 No monies from the Indemnity Fund shall be used to pay or reimburse
8 the Commission for the salary of any employee, except for the
9 Compliance and Inspection Department, while such employee is
10 performing work involved in the regulation of storage tanks pursuant
11 to the Oklahoma Storage Tank Regulation Act or the administration of
12 programs pursuant to said act, including the development, review and
13 approval of corrective action plans as required by the regulatory
14 programs; however, the Indemnity Fund shall pay for all costs
15 associated with administering the Compliance and Inspection
16 Department including, but not limited to, automobile and travel
17 costs, computer software and equipment, and other costs incurred in
18 administering the Compliance and Inspection Department. The
19 Commission shall cross train the field staff of the Petroleum
20 Storage Tank Division to perform inspections and related field
21 activities for all programs within the Division and the Oklahoma
22 Petroleum Storage Tank Release Indemnity Program may reimburse the
23 Division the actual costs of inspection services performed on behalf
24 of the Oklahoma Petroleum Storage Tank Release Indemnity Program.

1 3. Monies in the Indemnity Fund shall only be expended for:

2 a. reimbursements to eligible persons unless duly
3 assigned to another, and

4 b. costs incurred by the Indemnity Fund Program for the
5 administration of the fund and costs incurred for the
6 sole purpose of evaluating claims and determining
7 whether specific claims qualify for payment or
8 reimbursement from such Indemnity Fund.

9 Any costs incurred by and reimbursed to the Commission pursuant
10 to the provisions of the Oklahoma Petroleum Storage Tank Release
11 Indemnity Program shall not exceed the actual expenditures made by
12 the Commission to implement the provisions of the Oklahoma Petroleum
13 Storage Tank Release Indemnity Program.

14 4. Payment of claims from the Indemnity Fund shall not become
15 or be construed to be an obligation of this state. No claims
16 submitted for reimbursement from the Indemnity Fund shall be paid
17 with state monies.

18 ~~F. The Administrator of the Corporation Commission is hereby~~
19 ~~allowed to transfer funds from the Petroleum Storage Tank Indemnity~~
20 ~~Fund in amounts determined to be necessary and for the purposes~~
21 ~~authorized in Section 2 of this act. The total amount transferred~~
22 ~~shall not exceed the amount set forth in Section 2 of this act. The~~
23 ~~transfer and expenditure authorizations provided by this subsection~~

1 ~~and Section 2 of this act shall remain in effect until June 30,~~
2 ~~2011.~~

3 SECTION 2. This act shall become effective July 1, 2012.

4 SECTION 3. It being immediately necessary for the preservation
5 of the public peace, health and safety, an emergency is hereby
6 declared to exist, by reason whereof this act shall take effect and
7 be in full force from and after its passage and approval.

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