

AMENDED IN ASSEMBLY AUGUST 7, 2008

AMENDED IN ASSEMBLY JULY 1, 2008

AMENDED IN ASSEMBLY JUNE 12, 2008

AMENDED IN SENATE APRIL 1, 2008

**SENATE BILL**

**No. 1574**

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**Introduced by Senator Florez  
(Coauthor: Senator Ducheny)**

February 22, 2008

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An act to add Section 25292.6 to the Health and Safety Code, relating to underground storage tanks.

LEGISLATIVE COUNSEL'S DIGEST

SB 1574, as amended, Florez. Underground storage tanks: biodiesel.

(1) Existing law generally regulates the storage of hazardous substances in underground storage tanks and requires underground storage tanks that are used to store hazardous substances to meet certain requirements with regard to the design, construction, testing, and monitoring of the tank system. These requirements are required to be implemented by a local agency, which is required to inspect every underground storage tank annually and determine whether the tank complies with those design and construction standards.

The Barry Keene Underground Storage Tank Cleanup Trust Fund Act of 1989 requires owners and operators of petroleum underground storage tanks to pay a storage fee for each gallon of petroleum placed in the tank and the fees are required to be deposited in the Underground Storage Tank Cleanup Fund. The State Water Resources Control Board is authorized to expend money from that fund, upon appropriation by the Legislature, to pay claims to aid eligible owners and operators of

petroleum underground storage tanks who take corrective action to clean up unauthorized releases from those tanks.

This bill would define the term “biodiesel” and “biodiesel blend,” and would provide that an underground storage tank that contains biodiesel or biodiesel blend would be deemed to be in compliance with the requirements imposed upon underground storage tanks storing hazardous substances and petroleum underground storage tanks, if the tank meets certain requirements that are imposed upon an underground storage tank containing diesel or biodiesel blend, or if the operator provides evidence of material compatibility, and the local agency determines that the underground storage tank—containing biodiesel employs best management practices, thereby imposing a state-mandated local program by imposing new duties upon local agencies. The bill would provide that this exemption would be operative only until the board determines that the Underwriters Laboratories, Inc. has established a certification standard for underground storage tanks that contain biodiesel or biodiesel blend, or until January 1, 2011, whichever date is sooner. The bill would authorize a local agency that determines an underground storage tank storing biodiesel or biodiesel blend that is otherwise deemed to be in compliance by under the bill act poses a risk to water quality, to take enforcement action with regard to that underground storage tank.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 25292.6 is added to the Health and Safety
- 2 Code, to read:
- 3 25292.6.—(a) For purposes of this section, “biodiesel” means
- 4 25292.6. (a) For the purposes of this section, the following
- 5 terms have the following meanings:
- 6 (1) “Biodiesel” means a fuel comprised of mono-alkyl esters
- 7 of long chain fatty acids derived from vegetable oils or animal
- 8 fats, designated B100, that meets the requirements of the American

1 Society for Testing and Materials (ASTM) Standard Specification  
2 D-6751, and the registration requirements of the United States  
3 Environmental Protection Agency as a fuel and as a fuel additive  
4 under the Clean Air Act (42 U.S.C. Sec. 7401 et seq.).

5 (2) *“Biodiesel blend” means a fuel that contains one percent*  
6 *to 99.9 percent biodiesel blended with diesel fuel, as defined in*  
7 *Section 13401 of the Business and Professions Code.*

8 (b) Except as provided in subdivisions ~~(e)~~ and ~~(d)~~ (d) and (e),  
9 an underground storage tank that contains ~~biodiesel~~ a biodiesel  
10 blend of B20 or less shall be deemed in compliance with this  
11 chapter and Chapter 6.75 (commencing with Section 25299.10) if  
12 the underground storage tank meets both of the following  
13 requirements:

14 (1) The underground storage tank is in compliance with this  
15 chapter and Chapter 6.75 (commencing with Section 25299.10),  
16 and the regulations adopted pursuant to those provisions, including,  
17 but not limited to, the requirement to make the payments specified  
18 in Section ~~26299.41~~ 25299.41, in the same manner as those  
19 requirements would apply to an underground storage tank that  
20 contains diesel.

21 (2) The local agency determines that the underground storage  
22 tank ~~containing biodiesel~~ employs best management practices,  
23 including, but not limited to, using a double-walled tank and  
24 double-walled piping that ~~is~~ are manufactured on or after January  
25 1, 1987, or the operator is able to provide evidence of material  
26 compatibility.

27 (c) Except as provided in subdivisions (d) and (e), an  
28 underground storage tank that contains biodiesel or a biodiesel  
29 blend higher than B20 shall be deemed in compliance with this  
30 chapter and Chapter 6.75 (commencing with Section 2599.10) if  
31 the underground storage tank meets both of the following  
32 requirements:

33 (1) The underground storage tank is in compliance with this  
34 chapter and Chapter 6.75 (commencing with Section 25299.10),  
35 and the regulations adopted pursuant to those provisions,  
36 including, but not limited to, the requirement to make the payments  
37 specified in Section 25299.41, in the same manner as those  
38 requirements would apply to an underground storage tank that  
39 contains diesel.

1 (2) *The local agency determines that the underground storage*  
 2 *tank employs best management practices, including, but not limited*  
 3 *to, using a double-walled tank and double-walled piping that are*  
 4 *manufactured on or after January 1, 1987 and that include*  
 5 *interstitial liquid level measurement methods as defined in Chapter*  
 6 *16 (commencing with Section 2610) of Division 3 of Title 23 of*  
 7 *the California Code of Regulations or the operator is able to*  
 8 *provide evidence of material compatibility.*

9 (e)

10 (d) ~~The exemption provided in subdivision (b)~~ *subdivisions (b)*  
 11 *and (c) for an underground storage tank that contains biodiesel or*  
 12 *a biodiesel blend shall become inoperative on and after the*  
 13 *following dates, whichever date is sooner:*

14 (1) *The effective date when the board determines that*  
 15 *Underwriters Laboratories, Inc. has established a certification*  
 16 *standard for underground storage tanks that contain biodiesel or*  
 17 *a biodiesel blend.*

18 (2) *January 1, 2011.*

19 (d)

20 (e) *If a local agency determines that an underground storage*  
 21 *tank storing biodiesel or a biodiesel blend that is otherwise in*  
 22 *compliance with the requirements of subdivision (b)* ~~subdivision (b)~~ *subdivisions*  
 23 *(b) and (c) poses a risk to water quality, the local agency may take*  
 24 *enforcement action with regard to that underground storage tank*  
 25 *pursuant to this chapter.*

26 SEC. 2. *No reimbursement is required by this act pursuant to*  
 27 *Section 6 of Article XIII B of the California Constitution because*  
 28 *a local agency or school district has the authority to levy service*  
 29 *charges, fees, or assessments sufficient to pay for the program or*  
 30 *level of service mandated by this act, within the meaning of Section*  
 31 *17556 of the Government Code.*