

AMENDED IN ASSEMBLY AUGUST 19, 2013

AMENDED IN ASSEMBLY AUGUST 6, 2013

AMENDED IN SENATE APRIL 23, 2013

AMENDED IN SENATE APRIL 16, 2013

SENATE BILL

No. 763

Introduced by Senator Fuller

February 22, 2013

An act to amend Sections 25284.1, 25299.51, ~~25299.81~~, 25299.102, 25299.103, 25299.104, 25299.105, 25299.106, 25299.107, ~~and 25299.109, and 25299.117~~ of, to repeal ~~Sections 25299.111 and Section 25299.113~~ of, and to repeal and add ~~Sections Section 25299.110 and 25299.117~~ of, the Health and Safety Code, relating to underground storage tanks, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 763, as amended, Fuller. State Water Resources Control Board: underground storage tanks.

(1) Existing law provides for the regulation of underground storage tanks by the State Water Resources Control Board. Existing law, until January 1, 2016, requires the board to conduct a loan and grant program to assist small businesses in upgrading, replacing, or removing tanks meeting applicable local, state, or federal standards (UST upgrade program). Under existing law, the interest rate for loans is set at the rate earned by the Surplus Money Investment Fund at the time of the loan commitment. Existing law establishes the Petroleum Underground Storage Tank Financing Account (financing account) and, upon appropriation by the Legislature, requires moneys in the account to be used by the board to make loans and grants for purposes of the UST

upgrade program. Existing law requires interest earned from the investment of the moneys in the account to be deposited into a subaccount, available upon appropriation by the Legislature for administrative expenses of the board. Existing law requires the board annually to make available not more than 33% of the available funds from the account for the purposes of providing grants.

This bill would extend the operation of the loan and grant program until ~~the board determines the moneys in the financing account are exhausted and would repeal the program on the subsequent January 1 of the date the board makes that determination~~ *January 1, 2022*, except as specified with regard to certain authority.

The bill would revise loan eligibility and grant award requirements. The bill would require the board to annually make available not more than 25% of the available funds from the account for the purposes of providing grants. The bill would set the interest rate for loans at the rate equal to $\frac{1}{2}$ of the most recent general obligation rate obtained by the office of the Treasurer at the time of commitment. The bill would instead require interest earned from moneys in the financing account to be deposited into that account and would eliminate the subaccount. The bill would require loan fees and various other moneys received in the implementation of the loan and grant program to be deposited into the financing account. The bill would specify that moneys in the financing account are permitted to be used, in addition to making loans and grants, to service loans, to recover defaulted loan moneys, to protect the state's position as a lender creditor, and for administration costs, as specified. The bill would additionally authorize the board to provide grants and loans for the purposes of compliance with performance standards for the control of gasoline vapor emissions during gasoline marketing operations.

(2) Existing law establishes the Underground Storage Tank Cleanup Fund in the State Treasury and requires specified moneys to be deposited into the fund, including charges imposed upon owners of underground storage tanks. Under existing law, moneys in the fund may be expended by the board, upon appropriation by the Legislature, for various purposes, including for the Barry Keene Underground Storage Tank Cleanup Trust Fund Act of 1989 and for transfer to the financing account.

This bill would transfer \$8,000,000 of a specified portion of those charges from the fund to the financing account and appropriate these

funds for the purpose of making grants and loans and administering specific provisions, as prescribed.

(3) This bill would also make technical, nonsubstantive changes to various provisions.

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

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

1 SECTION 1. Section 25284.1 of the Health and Safety Code
2 is amended to read:

3 25284.1. (a) The board shall take all of the following actions
4 with regard to the prevention of unauthorized releases from
5 petroleum underground storage tanks:

6 (1) On or before June 1, 2000, initiate a field-based research
7 program to quantify the probability and environmental significance
8 of releases from underground storage tank systems meeting the
9 1998 upgrade requirements specified in Section 25284, as that
10 section read on January 1, 2002. The research program shall do
11 all of the following:

12 (A) Seek to identify the source and causes of releases and any
13 deficiencies in leak detection systems.

14 (B) Include single-walled, double-walled, and hybrid tank
15 systems, and avoid bias towards known leaking underground
16 storage tank systems by including a statistically valid sample of
17 all operating underground storage tank systems.

18 (C) Include peer review.

19 (2) Complete the research program on or before June 1, 2002.

20 (3) Use the results of the research program to develop
21 appropriate changes in design, construction, monitoring, operation,
22 and maintenance requirements for tank systems.

23 (4) On or before January 1, 2001, adopt regulations to do all of
24 the following:

25 (A) (i) Require underground storage tank owners, operators,
26 service technicians, installers, and inspectors to meet minimum
27 industry-established training standards and require tank facilities
28 to be operated in a manner consistent with industry-established
29 best management practices.

1 (ii) The board shall implement an outreach effort to educate
2 small business owners or operators on the importance of the
3 regulations adopted pursuant to this subparagraph.

4 (B) (i) Except as provided in clauses (ii) and (iii), require testing
5 of the secondary containment components, including
6 under-dispenser and pump turbine containment components, upon
7 initial installation of a secondary containment component and
8 periodically thereafter, to ensure that the system is capable of
9 containing releases from the primary containment until a release
10 is detected and cleaned up. The board shall consult with the
11 petroleum industry and local government to assess the appropriate
12 test or tests that would comply with this subparagraph.

13 (ii) Secondary containment components that are part of an
14 emergency generator tank system may be tested using enhanced
15 leak detection, if the test is performed at the frequency specified
16 by the board for testing of secondary containment pursuant to
17 Section 2644.1 of Title 23 of the California Code of Regulations.
18 If the results of the enhanced leak detection test indicate that any
19 component of the emergency generator tank system is leaking
20 liquid or vapor, the owner or operator shall take appropriate actions
21 to correct the leakage, and the owner or operator shall retest the
22 system using enhanced leak detection until the system is no longer
23 leaking liquid or vapor.

24 (iii) Any tank or piping that is part of an emergency generator
25 tank system and located within a structure as described in paragraph
26 (2) of subdivision (a) of Section 25283.5 is exempt from the
27 secondary containment testing required by clause (i), if the owner
28 or operator conducts visual inspections of tank or piping each time
29 the tank system is operated, but no less than monthly, and maintains
30 a log of inspection results for review by the local agency. This
31 clause is not applicable if the board adopts regulations pursuant
32 to Section 25299.3 that address the design, construction, upgrade,
33 and monitoring of unburied tanks that are part of an emergency
34 generator tank system.

35 (C) Require annual testing of release detection sensors and
36 alarms, including under-dispenser and pump turbine containment
37 sensors and alarms. The board shall consult with the petroleum
38 industry and local government to assess the appropriate test or
39 tests that would comply with this subparagraph.

1 (5) (A) Require an owner or operator of an underground storage
2 tank installed after July 1, 1987, if a tank is located within 1,000
3 feet of a public drinking water well, as identified pursuant to the
4 state GIS mapping database, to have the underground storage tank
5 system fitted, on or before July 1, 2001, with under-dispenser
6 containment or a spill containment or control system that is
7 approved by the board as capable of containing any accidental
8 release.

9 (B) Require all underground storage tanks installed after January
10 1, 2000, to have the tank system fitted with under-dispenser
11 containment or a spill containment or control system to meet the
12 requirements of subparagraph (A).

13 (C) Require an owner or operator of an underground storage
14 tank that is not otherwise subject to subparagraph (A), and not
15 subject to subparagraph (B), to have the underground storage tank
16 system fitted to meet the requirements of subparagraph (A), on or
17 before December 31, 2003.

18 (D) On and after January 1, 2002, no person shall install, repair,
19 maintain, or calibrate monitoring equipment for an underground
20 storage tank unless that person satisfies both of the following
21 requirements:

22 (i) The person has fulfilled training standards identified by the
23 board in regulations adopted pursuant to this section.

24 (ii) The person possesses a tank testing license issued by the
25 board pursuant to Section 25284.4, or a Class “A” General
26 Engineering Contractor License, C-10 Electrical Contractor
27 License, C-34 Pipeline Contractor License, C-36 Plumbing
28 Contractor License, or C-61 (D40) Limited Specialty Service
29 Station Equipment and Maintenance Contractor License issued by
30 the Contractors’ State License Board.

31 (E) Loans and grants for the installation of under-dispenser
32 containment or a spill containment or control system shall be made
33 available pursuant to Chapter 6.76 (commencing with Section
34 25299.100).

35 (6) Convene a panel of local agency and regional board
36 representatives to review existing enforcement authority and
37 procedures and to advise the board of any changes that are needed
38 to enable local agencies to take adequate enforcement action against
39 owners and operators of noncompliant underground storage tank
40 facilities. The panel shall make its recommendations to the board

1 on or before September 30, 2001. Based on the recommendations
2 of the panel, the board shall also establish effective enforcement
3 procedures in cases involving fraud.

4 (b) On or before July 1, 2001, the Contractors' State License
5 Board, in consultation with the board, the petroleum industry, air
6 pollution control districts, air quality management districts, and
7 local government, shall review its requirements for petroleum
8 underground storage tank system installation and removal
9 contractors and make changes, where appropriate, to ensure these
10 contractors are qualified.

11 SEC. 2. Section 25299.51 of the Health and Safety Code is
12 amended to read:

13 25299.51. The board may expend the money in the fund for
14 all the following purposes:

15 (a) In addition to the purposes specified in subdivisions (c), (d),
16 and (e), for the costs of implementing this chapter and for
17 implementing Section 25296.10 for a tank that is subject to this
18 chapter.

19 (b) To pay for the administrative costs of the State Board of
20 Equalization in collecting the fee imposed by Article 5
21 (commencing with Section 25299.40).

22 (c) To pay for the reasonable and necessary costs of corrective
23 action pursuant to Section 25299.36, up to one million five hundred
24 thousand dollars (\$1,500,000) per occurrence. The Legislature
25 may appropriate the money in the fund for expenditure by the
26 board, without regard to fiscal year, for prompt action in response
27 to any unauthorized release.

28 (d) To pay for the costs of an agreement for the abatement of,
29 and oversight of the abatement of, an unauthorized release of
30 hazardous substances from underground storage tanks, by a local
31 agency, as authorized by Section 25297.1 or by any other provision
32 of law, except that, for the purpose of expenditure of these funds,
33 only underground storage tanks, as defined in Section 25299.24,
34 shall be the subject of the agreement.

35 (e) To pay for the costs of cleanup and oversight of unauthorized
36 releases at abandoned tank sites. The board shall not expend more
37 than 25 percent of the total amount of money collected and
38 deposited in the fund annually for the purposes of this subdivision
39 and subdivision (h).

40 (f) To pay claims pursuant to Section 25299.57.

1 (g) To pay, upon order of the Controller, for refunds pursuant
2 to Part 26 (commencing with Section 50101) of Division 2 of the
3 Revenue and Taxation Code.

4 (h) To pay for the reasonable and necessary costs of corrective
5 action pursuant to subdivision (f) of Section 25296.10, in response
6 to an unauthorized release from an underground storage tank
7 subject to this chapter.

8 (i) To pay claims pursuant to Section 25299.58.

9 (j) To pay for expenditures by the board associated with
10 discovering violations of, and enforcing, or assisting in the
11 enforcement of, the requirements of Chapter 6.7 (commencing
12 with Section 25280) with regard to petroleum underground storage
13 tanks.

14 (k) For transfer to the Petroleum Underground Storage Tank
15 Financing Account, for purposes of Chapter 6.76 (commencing
16 with Section 25299.100).

17 ~~SEC. 3. Section 25299.81 of the Health and Safety Code is~~
18 ~~amended to read:~~

19 ~~25299.81. (a) Except as provided in subdivisions (b) and (c),~~
20 ~~this chapter shall remain in effect only until January 1, 2016, and~~
21 ~~as of that date is repealed, unless a later enacted statute, which is~~
22 ~~enacted before January 1, 2016, deletes or extends that date.~~

23 ~~(b) Notwithstanding subdivision (a), Article 1 (commencing~~
24 ~~with Section 25299.10), Article 2 (commencing with Section~~
25 ~~25299.11), and Article 4 (commencing with Section 25299.36)~~
26 ~~shall not be repealed and shall remain in effect on January 1, 2016.~~

27 ~~(c) The repeal of certain portions of this chapter does not~~
28 ~~terminate any of the following rights, obligations, or authorities,~~
29 ~~or any provision necessary to carry out these rights and obligations:~~

30 ~~(1) The filing and payment of claims against the fund, including~~
31 ~~the costs specified in subdivisions (c), (c), and (h) of Section~~
32 ~~25299.51, claims filed under Section 25299.50.3, and claims for~~
33 ~~commingled plumes, as specified in Article 11 (commencing with~~
34 ~~Section 25299.90), until the moneys in the fund are exhausted.~~
35 ~~Upon exhaustion of the fund, any remaining claims shall be invalid.~~

36 ~~(2) The repayment of loans, outstanding as of January 1, 2016,~~
37 ~~due and payable to the board.~~

38 ~~(3) The recovery of moneys reimbursed to a claimant to which~~
39 ~~the claimant is not entitled, or the resolution of any cost recovery~~
40 ~~action.~~

1 ~~(4) The collection of unpaid fees that are imposed pursuant to~~
2 ~~Article 5 (commencing with Section 25299.40), as that article read~~
3 ~~on December 31, 2015, or have become due before January 1,~~
4 ~~2016, including any interest or penalties that accrue before, on, or~~
5 ~~after January 1, 2016, associated with those unpaid fees.~~

6 ~~(5) (A) The filing of an application for funds from, and the~~
7 ~~making of payments from, the Underground Storage Tank~~
8 ~~Petroleum Contamination Orphan Site Cleanup Fund pursuant to~~
9 ~~Section 25299.50.2, any action for the recovery of moneys paid~~
10 ~~pursuant to Section 25299.50.2 to which the recipient is not~~
11 ~~entitled, and the resolution of that cost recovery action.~~

12 ~~(B) Upon liquidation of funds in the Underground Storage Tank~~
13 ~~Petroleum Contamination Orphan Site Cleanup Fund, the obligation~~
14 ~~to make a payment from the Underground Storage Tank Petroleum~~
15 ~~Contamination Orphan Site Cleanup Fund is terminated.~~

16 ~~(d) The board shall continuously post and update on its Internet~~
17 ~~Web site, but at a minimum, annually on or before September 30,~~
18 ~~information that describes the status of the fund and shall make~~
19 ~~recommendations, when appropriate, to improve the efficiency of~~
20 ~~the program.~~

21 ~~SEC. 4.~~

22 *SEC. 3.* Section 25299.102 of the Health and Safety Code is
23 amended to read:

24 25299.102. The board shall only make loan funds available to
25 loan applicants that meet all of the following eligibility
26 requirements:

27 (a) The loan applicant is a small business, either as defined in
28 Section 632 of Title 15 of the United States Code, and in the federal
29 regulations adopted to implement that section, as specified in Part
30 121 (commencing with Section 121.101) of Chapter I of Title 13
31 of the Code of Federal Regulations, or employs fewer than 500
32 full-time and part-time employees, is independently owned and
33 operated, and is not dominant in its field of operation. In either
34 case, the principal office of the small business shall be domiciled
35 in the state, and the officers of the small business shall be domiciled
36 in this state. The board shall give priority to awarding loans to
37 small businesses that meet the definition of small business specified
38 in subdivision (d) of Section 14837 of the Government Code.

39 (b) The loan applicant owns or operates a project tank.

1 (c) The loan applicant demonstrates the ability to repay the loan,
2 and the availability of adequate collateral to secure the loan.

3 (d) All tanks owned and operated by the loan applicant are
4 subject to compliance with Chapter 6.7 (commencing with Section
5 25280), and the regulations adopted pursuant to that chapter.

6 (e) The loan applicant has complied, or will comply, with the
7 financial responsibility requirements specified in Section 25299.31
8 and the regulations adopted pursuant to this section.

9 ~~SEC. 5.~~

10 *SEC. 4.* Section 25299.103 of the Health and Safety Code is
11 amended to read:

12 25299.103. (a) A complete loan application shall include all
13 of the following:

14 (1) Evidence of eligibility.

15 (2) An environmental audit, as specified in Section 5260 of Title
16 10 of the California Code of Regulations.

17 (3) Financial and legal documents necessary to demonstrate the
18 applicant's ability to repay and provide collateral for the loan. The
19 board shall develop a standard list of documents required of all
20 applicants, and may also request from individual applicants
21 additional financial and legal documents not provided on this list.

22 (4) An explanation of the reasons why the project tank is not in
23 compliance with applicable local, state, or federal standards, and
24 evidence that tanks not included in the list of project tanks are
25 currently in compliance with applicable local, state, or federal
26 standards.

27 (5) A detailed cost estimate of the tasks that are required to be
28 completed in order for the project tanks to comply with applicable
29 local, state, or federal standards.

30 (6) Any other information that the board determines to be
31 necessary to include in an application form.

32 (b) Notwithstanding paragraph (4) of subdivision (a), the board
33 may not refuse to grant a loan to an applicant solely because the
34 applicant has failed to obtain a permit pursuant to the requirements
35 of Chapter 6.7 (commencing with Section 25280).

36 ~~SEC. 6.~~

37 *SEC. 5.* Section 25299.104 of the Health and Safety Code is
38 amended to read:

39 25299.104. (a) The minimum amount that the board may loan
40 an applicant is ten thousand dollars (\$10,000), and the maximum

1 amount that the board may loan an applicant is seven hundred fifty
2 thousand dollars (\$750,000).

3 (b) The term of the loan shall be for a maximum of 20 years if
4 secured by real property, and for 10 years if not secured by real
5 property. The interest rate for loans shall be set at the rate equal
6 to one-half of the most recent general obligation bond rate obtained
7 by the office of the Treasurer at the time of the loan commitment.

8 (c) Loan funds may be used to finance up to 100 percent of the
9 costs necessary to upgrade, remove, or replace project tanks,
10 including corrective actions, to meet applicable local, state, or
11 federal standards, including, but not limited to, any design,
12 construction, monitoring, operation, or maintenance requirements
13 adopted pursuant to Sections 25284.1, 25292.4, and 41954.

14 (d) The board may charge a loan fee to loan applicants of up to
15 2 percent of the requested loan amount. The loan fee shall be
16 deposited in the Petroleum Underground Storage Tank Financing
17 Account.

18 (e) The inoperation or repeal of this chapter pursuant to Section
19 25299.117 shall not extinguish a loan obligation and shall not
20 impair the deed of trust or other collateral made pursuant to this
21 chapter or the authority of the state to pursue appropriate action
22 for collection.

23 ~~SEC. 7.~~

24 *SEC. 6.* Section 25299.105 of the Health and Safety Code is
25 amended to read:

26 25299.105. (a) The board shall make grant funds available
27 from the Petroleum Underground Storage Tank Financing Account
28 to eligible grant applicants who meet all of the following eligibility
29 requirements:

30 (1) The grant applicant is a small business, pursuant to the
31 following requirements:

32 (A) The grant applicant meets the conditions for a small business
33 concern as defined in Section 632 of Title 15 of the United States
34 Code, and in the federal regulations adopted to implement that
35 section, as specified in Part 121 (commencing with Section
36 121.101) of Chapter I of Title 13 of the Code of Federal
37 Regulations.

38 (B) The grant applicant employs fewer than 20 full-time and
39 part-time employees, is independently owned and operated, and
40 is not dominant in its field of operation.

1 (2) The principal office of the grant applicant is domiciled in
2 the state and the officers of the grant applicant are domiciled in
3 this state.

4 (3) All tanks owned and operated by the grant applicant are
5 subject to compliance with Chapter 6.7 (commencing with Section
6 25280) and the regulations adopted pursuant to that chapter.

7 (4) The facility where the project tank is located has sold at
8 retail less than 900,000 gallons of gasoline annually for each of
9 the two years preceding the submission of the grant application.
10 The number of gallons sold shall be based upon taxable sales
11 figures provided to the State Board of Equalization for that facility.

12 (5) The grant applicant owns or operates a tank that is in
13 compliance with all of the following:

14 (A) Section 41954.

15 (B) Any of the following:

16 (i) Section 25290.1.

17 (ii) Section 25290.2.

18 (iii) Section 25291.

19 (iv) Subdivisions (d) and (e) of Section 25292.

20 (C) Any regulation implementing the applicable sections
21 required for compliance with subparagraphs (A) and (B).

22 (6) The facility where the project tank is located was legally in
23 business retailing gasoline after January 1, 1999.

24 (b) Grant funds may only be used to pay the costs necessary to
25 comply with the requirements of Section 25284.1, 25292.4,
26 25292.5, or 41954.

27 ~~SEC. 8.~~

28 *SEC. 7.* Section 25299.106 of the Health and Safety Code is
29 amended to read:

30 25299.106. A complete grant application shall include all of
31 the following information:

32 (a) Evidence of eligibility.

33 (b) The board shall develop a standard list of documents required
34 of all applicants, and may also request from individual applicants
35 additional financial and legal documents not provided on this list.

36 (c) An explanation of the actions the applicant is required to
37 take to comply with the requirements of Sections 25284.1 and
38 25292.4 or Section 41954.

1 (d) A detailed cost estimate of the actions that are required to
2 be completed for the project tanks to comply with applicable local,
3 state, or federal standards, if applicable.

4 (e) Any other information that the board determines to be
5 necessary to include in an application form.

6 ~~SEC. 9.~~

7 *SEC. 8.* Section 25299.107 of the Health and Safety Code is
8 amended to read:

9 25299.107. (a) The minimum amount that the board may grant
10 an applicant is three thousand dollars (\$3,000), and the maximum
11 amount that the board may grant an applicant is fifty thousand
12 dollars (\$50,000).

13 (b) Grant funds may be used to finance up to 100 percent of the
14 costs necessary to comply with Sections 25284.1, 25292.4,
15 25292.5, and 41954.

16 (c) If the board received the applicant’s grant application on or
17 before April 1, 2009, grant funds may be used to reimburse up to
18 100 percent of the costs that the applicant incurred after the board
19 received the grant application to comply with the Enhanced Vapor
20 Recovery Phase II regulations.

21 (d) A person or entity is not eligible to receive more than fifty
22 thousand dollars (\$50,000) in grant funds pursuant to this chapter.

23 ~~SEC. 10.~~

24 *SEC. 9.* Section 25299.109 of the Health and Safety Code is
25 amended to read:

26 25299.109. (a) The Petroleum Underground Storage Tank
27 Financing Account is hereby created in the State Treasury. All of
28 the following moneys shall be deposited in the Petroleum
29 Underground Storage Tank Financing Account:

30 (1) Federal, state, and local funds transferred for deposit in the
31 account.

32 (2) Repayments of loans and interest and late fees on loans
33 issued pursuant to this chapter.

34 (3) Repayments of loans and interest and late fees on loans
35 issued pursuant to former Chapter 8.5 (commencing with Section
36 15399.10) of Part 6.7 of Division 3 of Title 2 of the Government
37 Code, as that chapter existed on December 31, 2003.

38 (4) Moneys collected pursuant to Section 25299.110 and
39 subdivision (d) of Section 25299.104.

1 (5) Repayments of loan and grant moneys paid to a loan or grant
2 applicant to which the applicant is not entitled.

3 (6) Notwithstanding Section 16305.7 of the Government Code,
4 all interest earned upon moneys that are deposited in the account.

5 (7) All unexpended moneys in a subaccount of the account that
6 is consolidated into the account by the act adding this paragraph.

7 (8) All unexpended moneys in the Petroleum Financing
8 Collection Account established pursuant to Section 25299.110, as
9 added by Section 1 of Chapter 624 of the Statutes of 2004.

10 (b) Upon appropriation by the Legislature, funds in the account
11 shall be used by the board to make loans and grants, service loans,
12 recover defaulted loan moneys due, protect the state's position as
13 a lender creditor, and administer this chapter.

14 (c) The board shall annually make available not more than 25
15 percent of the available funds from the account for the purposes
16 of providing grants pursuant to this chapter.

17 (d) Eight million dollars (\$8,000,000) is hereby transferred from
18 the portion of the fees collected pursuant to subdivisions (a) to (e),
19 inclusive, of Section 25299.43 in the Underground Storage Tank
20 Cleanup Fund, to the Petroleum Underground Storage Tank
21 Financing Account, and is hereby appropriated for the purposes
22 of making grants and loans pursuant to this chapter and
23 administering this chapter.

24 ~~SEC. 11.~~

25 *SEC. 10.* Section 25299.110 of the Health and Safety Code is
26 repealed.

27 ~~SEC. 12.~~

28 *SEC. 11.* Section 25299.110 is added to the Health and Safety
29 Code, to read:

30 25299.110. To defray the costs of the board in administering
31 the loan program created pursuant to this chapter, the board may
32 do all of the following:

33 (a) Impose reasonable charges on all applications and impose
34 the loan fee specified in subdivision (d) of Section 25299.104.

35 (b) Recover collection costs from the borrower or other party.

36 (c) Earn income on any asset recovered pursuant to a loan
37 default.

38 ~~SEC. 13.~~ Section 25299.111 of the Health and Safety Code is
39 repealed.

1 ~~SEC. 14.~~

2 *SEC. 12.* Section 25299.113 of the Health and Safety Code is
3 repealed.

4 ~~SEC. 15.~~ Section 25299.117 of the Health and Safety Code is
5 repealed.

6 ~~SEC. 16.~~ Section 25299.117 is added to the Health and Safety
7 Code, to read:

8 25299.117.— (a) This chapter shall become inoperative on the
9 date when the board issues a determination that no funds remain
10 in the Underground Storage Tank Cleanup Fund for the purposes
11 of making grants and loans pursuant to this chapter. Upon making
12 that determination, the board shall not make any further grants and
13 loans and any remaining claims for the payment of grants or loans
14 shall be invalid.

15 (b) Upon making a determination pursuant to subdivision (a),
16 the board shall notify the Secretary of State and the Office of the
17 Legislative Counsel of that determination and the date of the repeal
18 of this chapter, as specified in subdivision (c).

19 (c) This chapter is repealed as of the subsequent January 1 of
20 the date of the notification made pursuant to subdivision (b), unless
21 a later enacted statute, that is enacted on or before that January 1,
22 deletes or extends that date.

23 (d) Notwithstanding subdivision (c), the repeal of this chapter
24 does not terminate any of the following rights, obligations, or
25 authority, or any other provision necessary to carry out those rights
26 or obligations, or that authority:

- 27 (1) The repayment of loans due and payable to the board.
- 28 (2) The resolution of any cost recovery action or the initiation
29 of an action or other collection process to recover defaulted loan
30 moneys due to the board or to recover grant moneys paid but to
31 which the recipient is not entitled.

32 *SEC. 13.* Section 25299.117 of the Health and Safety Code is
33 amended to read:

34 25299.117. ~~This~~ (a) Except as provided in subdivision (b),
35 this chapter is repealed as of January 1, ~~2016~~ 2022, unless a later
36 enacted statute that is enacted on or before January 1, ~~2016~~ 2022,
37 deletes or extends that date.

38 (b) Notwithstanding subdivision (a), the repeal of this chapter
39 does not terminate any of the following rights, obligations,

- 1 *authorities, or any provision necessary to carry out these rights,*
- 2 *obligations, and authority:*
- 3 *(1) The repayment of loans due and payable to the board.*
- 4 *(2) The resolution of any cost recovery action or the initiation*
- 5 *of an action or other collection process to recover defaulted loan*
- 6 *moneys due to the board or to recover grant moneys paid but to*
- 7 *which the grantee is not entitled.*

O