

ASSEMBLY BILL

No. 1906

Introduced by Assembly Member Lowenthal

February 9, 2004

An act to amend Section 25299.43 of the Health and Safety Code, relating to hazardous materials.

LEGISLATIVE COUNSEL'S DIGEST

AB 1906, as introduced, Lowenthal. Hazardous materials: petroleum: underground storage tanks: cleanup: fees.

Existing law requires the owner or operator of an underground petroleum storage tank, or other responsible party, to take corrective action, as defined, in response to an unauthorized release of petroleum from the tank. A person required to perform corrective action may apply to the State Water Resources Control Board for payment of specified portions of the costs of corrective action. Existing law establishes the Underground Storage Tank Cleanup Fund in the State Treasury and authorizes the money in the fund to be used, upon appropriation by the Legislature, to pay those claims, among other things. Existing law imposes certain petroleum storage fees upon the owner of an underground storage tank for which a permit is required and requires those fees to be deposited in the fund.

This bill would increase a specified petroleum storage fee by \$0.001 per gallon of petroleum stored, on and after January 1, 2005, and by an additional \$0.001 per gallon of petroleum stored, on and after January 1, 2006. By operation of existing law, the revenue resulting from the increase would be required to be deposited in the fund and be available, upon appropriation, for expenditure for the purposes authorized under existing law for money in the fund.

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

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

1 SECTION 1. The Legislature hereby finds and declares all of
2 the following:

3 (a) The petroleum underground storage tank cleanup fees
4 authorized under Article 5 (commencing with Section 25299.40)
5 of Chapter 6.75 of Division 20 of the Health and Safety Code were
6 last increased on January 1, 1997.

7 (b) The value of those fees has been eroded by inflation.

8 (c) The average cost of cleanup per claim under the petroleum
9 underground storage tank cleanup program (Chapter 6.75
10 (commencing with Section 25299.10) of Division 20 of the Health
11 and Safety Code) has greatly increased since the inception of that
12 program.

13 (d) It is substantially uncertain that the existing cleanup
14 program will generate sufficient funds to pay all claimants under
15 the program, particularly class D claimants, as identified in
16 paragraph (4) of subdivision (b) of Section 25299.52 of the Health
17 and Safety Code.

18 (e) The modest fee increases authorized under this act are
19 intended to ensure that all claimants under the cleanup program
20 will have a reasonable opportunity to have approved claims paid
21 before the expiration of the cleanup program, as was envisioned
22 when the program was initially established.

23 SEC. 2. Section 25299.43 of the Health and Safety Code is
24 amended to read:

25 25299.43. (a) To implement the changes to this chapter made
26 by the act adding this section, and consistent with Section
27 25299.40, effective January 1, 1995, every owner subject to
28 Section 25299.41 shall pay a storage fee of one mill (\$0.001) for
29 each gallon of petroleum placed in an underground storage tank
30 which the person owns, in addition to the fee required by Section
31 25299.41. ~~The fee imposed pursuant to this section shall be paid
32 to the State Board of Equalization pursuant to Part 26
33 (commencing with Section 50101) of Division 2 of the Revenue
34 and Taxation Code in the same manner as, and consistent with, the
35 fees imposed pursuant to Section 24299.41.~~



1 (b) On and after January 1, 1996, the storage fee imposed
2 ~~pursuant to~~ *under* subdivision (a) shall be increased by two mills
3 (\$0.002) for each gallon of petroleum placed in an underground
4 storage tank.

5 (c) On and after January 1, 1997, the storage fee ~~imposed~~
6 ~~pursuant to subdivisions (a) and~~ *increased under subdivision (b)*
7 shall be increased by *an additional* three mills (\$0.003) for each
8 gallon of petroleum placed in an underground storage tank.

9 (d) *On and after January 1, 2005, the storage fee increased*
10 *under subdivision (c) shall be increased by an additional one mill*
11 *(\$0.001) for each gallon of petroleum placed in an underground*
12 *storage tank.*

13 (e) *On and after January 1, 2006, the storage fee increased*
14 *under subdivision (d) shall be increased by an additional one mill*
15 *(\$0.001) for each gallon of petroleum placed in an underground*
16 *storage tank.*

17 (f) *The fee imposed under this section shall be paid to the State*
18 *Board of Equalization under Part 26 (commencing with Section*
19 *50101) of Division 2 of the Revenue and Taxation Code in the same*
20 *manner as, and consistent with, the fees imposed under Section*
21 *24299.41.*

22 (g) The State Board of Equalization shall amend the
23 regulations adopted ~~pursuant to~~ *under* Section 25299.41 to carry
24 out this section.

