

1 H.549

2 Introduced by Representative Marcotte of Coventry

3 Referred to Committee on

4 Date:

5 Subject: Conservation and development; underground and aboveground
6 storage tanks; Petroleum Cleanup Fund

7 Statement of purpose of bill as introduced: This bill proposes to extend from
8 the year 2021 until the year 2031 the repeal of the licensing fees on motor fuel
9 and heating oil, kerosene, or other dyed diesel fuel that are deposited in the
10 Petroleum Cleanup Fund. The bill also extends from the year 2019 to the year
11 2029 the repeal of the assessment of underground storage tanks that is
12 deposited into the Petroleum Cleanup Fund.

13 An act relating to the Petroleum Cleanup Fund

14 It is hereby enacted by the General Assembly of the State of Vermont:

15 Sec. 1. 10 V.S.A. § 1941(b) is amended to read:

16 (b) The Secretary may authorize disbursements from the Fund for the
17 purpose of the cleanup and restoration of contaminated soil and groundwater
18 caused by releases of petroleum from underground storage tanks and
19 aboveground storage tanks, including air emissions for remedial actions, and

1 for compensation of third parties for injury and damage caused by a release.
2 This Fund shall be used for no other governmental purposes, nor shall any
3 portion of the Fund ever be available to borrow from by any branch of
4 government; it being the intent of the General Assembly that this Fund and its
5 increments shall remain intact and inviolate for the purposes set out in this
6 chapter. Disbursements under this section may be made only for uninsured
7 costs incurred after January 1, 1987 and for which a claim is made prior to
8 July 1, ~~2019~~ 2029 and judged to be in conformance with prevailing industry
9 rates. This includes:

10 * * *

11 Sec. 2. 10 V.S.A. § 1942 is amended to read:

12 § 1942. PETROLEUM DISTRIBUTOR LICENSING FEE

13 (a) There is hereby established a licensing fee of one cent per gallon of
14 motor fuel sold by a distributor or dealer or used by a user in this State, ~~which~~
15 that will be assessed against every distributor, dealer, or user as defined in
16 23 V.S.A. chapters 27 and 28, and ~~which~~ that will be deposited into the
17 Petroleum Cleanup Fund established pursuant to subsection 1941(a) of this
18 title. The Secretary, in consultation with the Petroleum Cleanup Fund
19 Advisory Committee established pursuant to subsection 1941(e) of this title,
20 shall annually report to the General Assembly on the balance of the Motor
21 Fuel Account and shall make recommendations, if any, for changes to the

1 program. The Secretary shall also determine the unencumbered balance of the
2 Motor Fuel Account as of May 15 of each year, and if the balance is equal to
3 or greater than \$7,000,000.00, then the licensing fee shall not be assessed in
4 the upcoming fiscal year. The Secretary shall promptly notify all sellers
5 assessing this fee of the status of the fee for the upcoming fiscal year. This fee
6 ~~will~~ shall be paid in the same manner, at the same time, and subject to the
7 same restrictions or limitations as the tax on motor fuels. The fee ~~will~~ shall be
8 collected by the Commissioner of Motor Vehicles and deposited into the
9 Petroleum Cleanup Fund. This fee requirement shall terminate on April 1,
10 ~~2021~~ 2031.

11 (b) There is assessed a licensing fee of one cent per gallon for the bulk
12 retail sale of heating oil, kerosene, or other dyed diesel fuel sold in this State.
13 This fee shall be subject to the collection, administration, and enforcement
14 provisions of 32 V.S.A. chapter 233, and the fees collected under this
15 subsection by the Commissioner of Taxes shall be deposited into the Petroleum
16 Cleanup Fund established pursuant to subsection 1941(a) of this title. The
17 Secretary, in consultation with the Petroleum Cleanup Fund Advisory
18 Committee established pursuant to subsection 1941(e) of this title, shall
19 annually report to the General Assembly on the balance of the Heating Fuel
20 Account and shall make recommendations, if any, for changes to the program.
21 The Secretary shall also determine the unencumbered balance of the Heating

1 Fuel Account as of May 15 of each year, and if the balance is equal to or
2 greater than \$3,000,000.00, then the licensing fee shall not be assessed in the
3 upcoming fiscal year. The Secretary shall promptly notify all sellers assessing
4 this fee of the status of the fee for the upcoming fiscal year. This fee provision
5 shall terminate on April 1, ~~2021~~ 2031.

6 Sec. 3. 10 V.S.A. § 1943(c) is amended to read:

7 (c) This tank assessment shall terminate on July 1, ~~2019~~ 2029.

*Sec. 3a. COMBINATION TANK SYSTEMS; CONTINUATION OF
SERVICE*

(a) As used in this section:

*(1) "Combination tank system" shall have the same meaning as set
forth in 10 V.S.A. § 1922.*

*(2) "Motor fuel" means fuel subject to the licensing fee under 10 V.S.A.
§ 1942(a).*

*(b) Notwithstanding the requirements in 10 V.S.A. § 1927(e)(2) that a
combination tank system shall be closed by January 1, 2018, the Secretary of
Natural Resources may authorize a combination tank service to supply motor
fuel after January 1, 2018 upon a determination that the combination tank
system:*

*(1) is the sole supply of motor fuel in the municipality in which the
combination tank system is located;*

(2) is needed to supply motor fuel to public safety or fire control services in the municipality; and

(3) the owner of the combination system has entered into a contract and obtained financing to replace the tank as required under 10 V.S.A. § 1927.

(c) The Secretary may authorize continued supply of motor fuel from a combination tank system under this section until August 1, 2018.

(d) This section shall be repealed on August 1, 2018.

1 ~~Sec. 4. EFFECTIVE DATE~~

2 ~~This act shall take effect on July 1, 2018.~~

Sec. 4. EFFECTIVE DATES

(a) This section and Sec. 3a (combination tank system continuation) shall take effect on passage.

(b) All other sections shall take effect July 1, 2018.