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A bill to be entitled 1 2 An act relating to rehabilitation of petroleum 3 contamination sites; amending s. 376.3071, F.S.; 4 providing legislative findings and intent regarding 5 the Petroleum Restoration Program and the 6 rehabilitation of contamination sites; providing 7 requirements for site rehabilitation contracts and 8 procedures for payment of rehabilitation work under 9 the Petroleum Restoration Program; providing 10 applicability of funding under the Early Detection 11 Incentive Program; deleting obsolete provisions relating to reimbursement for certain cleanup 12 13 expenses; repealing s. 376.30711, F.S., relating to 14 preapproved site rehabilitation; amending ss. 376.301, 15 376.302, 376.305, 376.30713, 376.30714, 376.3072, 376.3073, and 376.3075, F.S.; conforming provisions to 16 changes made by the act; providing an effective date. 17 18 19 Be It Enacted by the Legislature of the State of Florida: 20 Section 1. Section 376.3071, Florida Statutes, is amended 21 22 to read: 376.3071 Inland Protection Trust Fund; creation; purposes; 23 24 funding.-25 FINDINGS.-In addition to the legislative findings set (1)26 forth in s. 376.30, the Legislature finds and declares: Page 1 of 71 **PCB ANRS 14-02** 

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(a) That significant quantities of petroleum and petroleum
products are being stored in storage systems in this state,
which is a hazardous undertaking.

30 (b) That spills, leaks, and other discharges from such 31 storage systems have occurred, are occurring, and will continue 32 to occur and that such discharges pose a significant threat to 33 the quality of the groundwaters and inland surface waters of 34 this state.

35 That, where contamination of the ground or surface (C) 36 water has occurred, remedial measures have often been delayed 37 for long periods while determinations as to liability and the extent of liability are made and that such delays result in the 38 continuation and intensification of the threat to the public 39 40 health, safety, and welfare; in greater damage to water resources and the environment; and in significantly higher costs 41 42 to contain and remove the contamination.

(d) That adequate financial resources must be readily available to provide for the expeditious supply of safe and reliable alternative sources of potable water to affected persons and to provide a means for investigation and cleanup of contamination sites without delay.

(e) That it is necessary to fulfill the intent and purposes of ss. 376.30-376.317, and further it is hereby determined to be in the best interest of, and necessary for the protection of the public health, safety, and general welfare of the residents of this state, and therefore a paramount public

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purpose, to provide for the creation of a nonprofit public 53 54 benefit corporation as an instrumentality of the state to assist 55 in financing the functions provided in ss. 376.30-376.317 and to 56 authorize the department to enter into one or more service 57 contracts with such corporation for the purpose provision of 58 financing services related to such functions and to make 59 payments thereunder from the amount on deposit in the Inland 60 Protection Trust Fund, subject to annual appropriation by the 61 Legislature.

That to achieve the purposes established in paragraph 62 (f) 63 (e) and in order to facilitate the expeditious handling and rehabilitation of contamination sites and remedial measures with 64 respect to contamination sites provided hereby without delay, it 65 66 is in the best interests of the residents of this state to authorize such corporation to issue evidences of indebtedness 67 payable from amounts paid by the department under any such 68 69 service contract entered into between the department and such 70 corporation.

71 That the Petroleum Restoration Program must be (q) 72 implemented in a manner that reduces costs and improves the 73 efficiency of rehabilitation activities to reduce the 74 significant backlog of contaminated sites eligible for state-75 funded rehabilitation and the corresponding threat to the public health, safety, and welfare, water resources, and the 76 77 environment. 78 INTENT AND PURPOSE.-(2)

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(a) It is the intent of the Legislature to establish the Inland Protection Trust Fund to serve as a repository for funds which will enable the department to respond without delay to incidents of inland contamination related to the storage of petroleum and petroleum products in order to protect the public health, safety, and welfare and to minimize environmental damage.

(b) It is the intent of the Legislature that the department implement rules and procedures to improve the efficiency of the Petroleum Restoration Program. The department is directed to implement rules and policies to eliminate and reduce duplication of site rehabilitation efforts, paperwork, and documentation, and micromanagement of site rehabilitation tasks.

93 It is the intent of the Legislature that (C) rehabilitation of contamination sites be conducted with emphasis 94 95 on first addressing the sites that pose the greatest threat to 96 the public health, safety, and welfare, water resources, and the 97 environment, within the availability of funds in the Inland Protection Trust Fund, recognizing that source removal, wherever 98 99 it is technologically feasible and cost-effective, will 100 significantly reduce contamination or eliminate the spread of contamination and will protect the public health, safety, and 101 102 welfare, water resources, and the environment. 103 (d) (c) The department is directed to adopt and implement 104 uniform and standardized forms for the requests for preapproval

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105 site rehabilitation work and for the submittal of reports to 106 ensure that information is submitted to the department in a 107 concise, standardized uniform format seeking only information 108 that is necessary.

109 <u>(e) (d)</u> The department is directed to implement 110 computerized and electronic filing capabilities of preapproval 111 requests and submittal of reports in order to expedite submittal 112 of the information and elimination of delay in paperwork. The 113 computerized, electronic filing system shall be implemented no 114 later than January 1, 1997.

115 (e) The department is directed to adopt uniform scopes of 116 work with templated labor and equipment costs to provide 117 definitive guidance as to the type of work and authorized 118 expenditures that will be allowed for preapproved site 119 rehabilitation tasks.

(f) The department is directed to establish guidelines for consideration and acceptance of new and innovative technologies for site rehabilitation work.

(3) CREATION.-There is hereby created the Inland Protection Trust Fund, hereinafter referred to as the "fund," to be administered by the department. This fund shall be used by the department as a nonlapsing revolving fund for carrying out the purposes of this section and s. 376.3073. To this fund shall be credited all penalties, judgments, recoveries,

reimbursements, loans, and other fees and charges related to the implementation of this section and s. 376.3073 and the excise

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131 tax revenues levied, collected, and credited pursuant to ss. 132 206.9935(3) and 206.9945(1)(c). Charges against the fund shall 133 be made <u>pursuant to</u> in accordance with the provisions of this 134 section.

(4) USES.-Whenever, in its determination, incidents of inland contamination related to the storage of petroleum or petroleum products may pose a threat to the environment or the public health, safety, or welfare, water resources, or the environment, the department shall obligate moneys available in the fund to provide for:

(a) Prompt investigation and assessment of contaminationsites.

(b) Expeditious restoration or replacement of potablewater supplies as provided in s. 376.30(3)(c)1.

145 Rehabilitation of contamination sites, which shall (C) consist of cleanup of affected soil, groundwater, and inland 146 surface waters, using the most cost-effective alternative that 147 148 is technologically feasible and reliable and that provides 149 adequate protection of the public health, safety, and welfare, 150 and water resources, and that minimizes environmental damage, 151 pursuant to in accordance with the site selection and cleanup 152 criteria established by the department under subsection (5), 153 except that this paragraph does not nothing herein shall be 154 construed to authorize the department to obligate funds for 155 payment of costs which may be associated with, but are not integral to, site rehabilitation, such as the cost for 156

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157 retrofitting or replacing petroleum storage systems.

(d) Maintenance and monitoring of contamination sites.

(e) Inspection and supervision of activities described inthis subsection.

(f) Payment of expenses incurred by the department in its efforts to obtain from responsible parties the payment or recovery of reasonable costs resulting from the activities described in this subsection.

(g) Payment of any other reasonable costs of administration, including those administrative costs incurred by the Department of Health in providing field and laboratory services, toxicological risk assessment, and other assistance to the department in the investigation of drinking water contamination complaints and costs associated with public information and education activities.

(h) Establishment and implementation of the compliance
verification program as authorized in s. 376.303(1)(a),
including contracting with local governments or state agencies
to provide for the administration of such program through
locally administered programs, to minimize the potential for
further contamination sites.

178 (i) Funding of the provisions of ss. 376.305(6) and179 376.3072.

(j) Activities related to removal and replacement of
petroleum storage systems, exclusive of costs of any tank,
piping, dispensing unit, or related hardware, if soil removal is

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183 <u>approved</u> preapproved as a component of site rehabilitation and 184 requires removal of the tank where remediation is conducted 185 under <u>this section</u> <del>s. 376.30711</del> or if such activities were 186 justified in an approved remedial action plan <del>performed pursuant</del> 187 <del>to subsection (12)</del>.

188 (k) Activities related to reimbursement application 189 preparation and activities related to reimbursement application 190 examination by a certified public accountant pursuant to 191 subsection (12).

192 <u>(k) (l)</u> Reasonable costs of restoring property as nearly as 193 practicable to the conditions which existed <u>before</u> prior to 194 activities associated with contamination assessment or remedial 195 action taken under s. 376.303(4).

196

(1) (m) Repayment of loans to the fund.

197 (m) (n) Expenditure of sums from the fund to cover 198 ineligible sites or costs as set forth in subsection (13), if 199 the department in its discretion deems it necessary to do so. In 200 such cases, the department may seek recovery and reimbursement 201 of costs in the same manner and pursuant to in accordance with 202 the same procedures as are established for recovery and 203 reimbursement of sums otherwise owed to or expended from the 204 fund.

205 <u>(n) (o)</u> Payment of amounts payable under any service 206 contract entered into by the department pursuant to s. 376.3075, 207 subject to annual appropriation by the Legislature.

208 (o) (p) Petroleum remediation pursuant to this section s. Page 8 of 71

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209 376.30711 throughout a state fiscal year. The department shall 210 establish a process to uniformly encumber appropriated funds 211 throughout a state fiscal year and shall allow for emergencies 212 and imminent threats to public human health, safety, and 213 welfare, water resources, and the environment as provided in 214 paragraph (5)(a). This paragraph does not apply to 215 appropriations associated with the free product recovery 216 initiative provided in of paragraph (5)(c) or the preapproved 217 advanced cleanup program provided in of s. 376.30713. 218 (p) (q) Enforcement of this section and ss. 376.30-376.317 219 by the Fish and Wildlife Conservation Commission. The department 220 shall disburse moneys to the commission for such purpose. 221 222 The Inland Protection Trust Fund may only be used to fund the 223 activities in ss. 376.30-376.317 except ss. 376.3078 and 224 376.3079. Amounts on deposit in the Inland Protection Trust fund 225 in each fiscal year shall first be applied or allocated for the 226 payment of amounts payable by the department pursuant to 227 paragraph (n) (o) under a service contract entered into by the 228 department pursuant to s. 376.3075 and appropriated in each year 229 by the Legislature before <del>prior to</del> making or providing for other 230 disbursements from the fund. Nothing in This subsection does not 231 shall authorize the use of the Inland Protection Trust fund for 232 cleanup of contamination caused primarily by a discharge of solvents as defined in s. 206.9925(6), or polychlorinated 233 biphenyls when their presence causes them to be hazardous 234 Page 9 of 71

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wastes, except solvent contamination which is the result of chemical or physical breakdown of petroleum products and is otherwise eligible. Facilities used primarily for the storage of motor or diesel fuels as defined in ss. 206.01 and 206.86 <u>are</u> shall be presumed not to be excluded from eligibility pursuant to this section.

241

(5) SITE SELECTION AND CLEANUP CRITERIA.-

(a) The department shall adopt rules to establish
priorities based upon a scoring system for state-conducted
cleanup at petroleum contamination sites based upon factors that
include, but need not be limited to:

The degree to which <u>the public</u> human health, safety, or
 welfare may be affected by exposure to the contamination;

248 2. The size of the population or area affected by the 249 contamination;

3. The present and future uses of the affected aquifer or surface waters, with particular consideration as to the probability that the contamination is substantially affecting, or will migrate to and substantially affect, a known public or private source of potable water; and

4. The effect of the contamination on <u>water resources and</u>the environment.

257

258 Moneys in the fund shall then be obligated for activities 259 described in paragraphs (4)(a)-(e) at individual sites <u>pursuant</u> 260 <u>to in accordance with</u> such established criteria. However,

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nothing in this paragraph does not shall be construed to 261 262 restrict the department from modifying the priority status of a 263 rehabilitation site where conditions warrant, taking into 264 consideration the actual distance between the contamination site 265 and groundwater or surface water receptors or other factors that 266 affect the risk of exposure to petroleum products' chemicals of 267 concern. The department may use the effective date of a 268 department final order granting eligibility pursuant to 269 subsections (10) (9) and (13) and ss. 376.305(6) and 376.3072 to 270 establish a prioritization system within a particular priority 271 scoring range.

It is the intent of the Legislature to protect the 272 (b) 273 health of all people under actual circumstances of exposure. The 274 secretary shall establish criteria by rule for the purpose of 275 determining, on a site-specific basis, the rehabilitation 276 program tasks that comprise a site rehabilitation program and 277 the level at which a rehabilitation program task and a site 278 rehabilitation program are may be deemed completed. In 279 establishing the rule, the department shall incorporate, to the 280 maximum extent feasible, risk-based corrective action principles 281 to achieve protection of the public human health, and safety, and welfare, water resources, and the environment in a cost-282 effective manner as provided in this subsection. Criteria for 283 284 determining what constitutes a rehabilitation program task or completion of site rehabilitation program tasks and site 285 rehabilitation programs shall be based upon the factors set 286

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forth in paragraph (a) and the following additional factors:

 The current exposure and potential risk of exposure to
 humans and the environment including multiple pathways of
 exposure.

291 2. The appropriate point of compliance with cleanup target 292 levels for petroleum products' chemicals of concern. The point 293 of compliance shall be at the source of the petroleum 294 contamination. However, the department may is authorized to temporarily move the point of compliance to the boundary of the 295 296 property, or to the edge of the plume when the plume is within the property boundary, while cleanup, including cleanup through 297 298 natural attenuation processes in conjunction with appropriate monitoring, is proceeding. The department may also is 299 300 authorized, pursuant to criteria provided for in this paragraph, 301 to temporarily extend the point of compliance beyond the 302 property boundary with appropriate monitoring, if such extension 303 is needed to facilitate natural attenuation or to address the 304 current conditions of the plume, if the public provided human 305 health, public safety, and welfare, water resources, and the 306 environment are adequately protected. Temporary extension of the 307 point of compliance beyond the property boundary, as provided in this subparagraph, must shall include notice to local 308 309 governments and owners of any property into which the point of 310 compliance is allowed to extend.

311 3. The appropriate site-specific cleanup goal. The site-312 specific cleanup goal shall be that all petroleum contamination

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313 sites ultimately achieve the applicable cleanup target levels 314 provided in this paragraph. However, the department may is 315 authorized to allow concentrations of the petroleum products' 316 chemicals of concern to temporarily exceed the applicable 317 cleanup target levels while cleanup, including cleanup through natural attenuation processes in conjunction with appropriate 318 319 monitoring, is proceeding, if the public provided human health, public safety, and welfare, water resources, and the environment 320 321 are adequately protected.

322 The appropriateness of using institutional or 4. 323 engineering controls. Site rehabilitation programs may include 324 the use of institutional or engineering controls to eliminate 325 the potential exposure to petroleum products' chemicals of 326 concern to humans or the environment. Use of such controls must 327 have prior department approval be preapproved by the department, 328 and may institutional controls shall not be acquired with moneys 329 funds from the Inland Protection Trust fund. When institutional 330 or engineering controls are implemented to control exposure, the 331 removal of such controls must have prior department approval and 332 must be accompanied immediately by the resumption of active 333 cleanup<sub> $\tau$ </sub> or other approved controls<sub> $\tau$ </sub> unless cleanup target 334 levels pursuant to this paragraph have been achieved.

5. The additive effects of the petroleum products' chemicals of concern. The synergistic effects of petroleum products' chemicals of concern <u>must</u> shall also be considered when the scientific data becomes available.

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339 6. Individual site characteristics which must shall 340 include, but not be limited to, the current and projected use of 341 the affected groundwater in the vicinity of the site, current 342 and projected land uses of the area affected by the 343 contamination, the exposed population, the degree and extent of 344 contamination, the rate of contaminant migration, the apparent 345 or potential rate of contaminant degradation through natural 346 attenuation processes, the location of the plume, and the 347 potential for further migration in relation to site property boundaries. 348

349

7. Applicable state water quality standards.

Cleanup target levels for petroleum products' chemicals 350 a. 351 of concern found in groundwater shall be the applicable state 352 water quality standards. Where such standards do not exist, the 353 cleanup target levels for groundwater shall be based on the 354 minimum criteria specified in department rule. The department 355 shall consider the following, as appropriate, in establishing 356 the applicable minimum criteria: calculations using a lifetime 357 cancer risk level of 1.0E-6; a hazard index of 1 or less; the best achievable detection limit; the naturally occurring 358 359 background concentration; or nuisance, organoleptic, and aesthetic considerations. 360

361 b. Where surface waters are exposed to petroleum 362 contaminated groundwater, the cleanup target levels for the 363 petroleum products' chemicals of concern shall be based on the 364 surface water standards as established by department rule. The

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365 point of measuring compliance with the surface water standards 366 shall be in the groundwater immediately adjacent to the surface 367 water body.

368 8. Whether deviation from state water quality standards or 369 from established criteria is appropriate. The department may 370 issue a "No Further Action Order" based upon the degree to which 371 the desired cleanup target level is achievable and can be 372 reasonably and cost-effectively implemented within available 373 technologies or engineering and institutional control 374 strategies. Where a state water quality standard is applicable, 375 a deviation may not result in the application of cleanup target levels more stringent than the said standard. In determining 376 377 whether it is appropriate to establish alternate cleanup target 378 levels at a site, the department may consider the effectiveness 379 of source removal that has been completed at the site and the 380 practical likelihood of + the use of low yield or poor quality 381 groundwater; the use of groundwater near marine surface water 382 bodies; the current and projected use of the affected 383 groundwater in the vicinity of the site; or the use of 384 groundwater in the immediate vicinity of the storage tank area, 385 where it has been demonstrated that the groundwater 386 contamination is not migrating away from such localized source, 387 if the public; provided human health, public safety, and 388 welfare, water resources, and the environment are adequately 389 protected.

390

9. Appropriate cleanup target levels for soils.

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In establishing soil cleanup target levels for human 391 a. 392 exposure to petroleum products' chemicals of concern found in 393 soils from the land surface to 2 feet below land surface, the 394 department shall consider the following, as appropriate: 395 calculations using a lifetime cancer risk level of 1.0E-6; a 396 hazard index of 1 or less; the best achievable detection limit; 397 or the naturally occurring background concentration. 398 Leachability-based soil target levels shall be based on b. 399 protection of the groundwater cleanup target levels or the alternate cleanup target levels for groundwater established 400 401 pursuant to this paragraph, as appropriate. Source removal and 402 other cost-effective alternatives that are technologically feasible shall be considered in achieving the leachability soil 403 404 target levels established by the department. The leachability 405 goals do not apply shall not be applicable if the department 406 determines, based upon individual site characteristics, that 407 petroleum products' chemicals of concern will not leach into the 408 groundwater at levels which pose a threat to public human 409 health, and safety, and welfare, water resources, or the 410 environment.

411

However, nothing in This paragraph <u>does not</u> shall be construed to restrict the department from temporarily postponing completion of any site rehabilitation program for which funds are being expended whenever such postponement is <del>deemed</del> necessary in order to make funds available for rehabilitation of

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417 a contamination site with a higher priority status.

418 (c) The department shall require source removal, if
419 warranted and cost-effective, at each site eligible for
420 restoration funding from the Inland Protection Trust fund.

421 Funding for free product recovery may be provided in 1. 422 advance of the order established by the priority ranking system 423 under paragraph (a) for site cleanup activities. However, a 424 separate prioritization for free product recovery shall be 425 established consistent with paragraph (a). No more than \$5 million shall be encumbered from the Inland Protection Trust 426 427 fund in any fiscal year for free product recovery conducted in advance of the priority order under paragraph (a) established 428 429 for site cleanup activities.

430 2. Once free product removal and other source removal 431 identified in this paragraph are completed at a site, and 432 notwithstanding the order established by the priority ranking 433 system under paragraph (a) for site cleanup activities, the 434 department may reevaluate the site to determine the degree of 435 active cleanup needed to continue site rehabilitation. Further, 436 the department shall determine whether if the reevaluated site 437 qualifies for natural attenuation monitoring, long-term natural attenuation monitoring, or no further action. If additional site 438 439 rehabilitation is necessary to reach no further action status, the site rehabilitation shall be conducted in the order 440 established by the priority ranking system under paragraph (a). 441 The department shall use utilize natural attenuation monitoring 442

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strategies and, when cost-effective, transition sites eligible 443 444 for restoration funding assistance to long-term natural 445 attenuation monitoring where the plume is shrinking or stable 446 and confined to the source property boundaries and the petroleum 447 products' chemicals of concern meet the natural attenuation 448 default concentrations, as defined by department rule. If the 449 plume migrates beyond the source property boundaries, natural 450 attenuation monitoring may be conducted pursuant to in 451 accordance with department rule, or if the site no longer 452 qualifies for natural attenuation monitoring, active remediation 453 may be resumed. For long-term natural attenuation monitoring, if 454 the petroleum products' chemicals of concern increase or are not 455 significantly reduced after 42 months of monitoring, or if the 456 plume migrates beyond the property boundaries, active 457 remediation shall be resumed as necessary. For sites undergoing 458 active remediation, the department shall evaluate template the 459 cost of natural attenuation monitoring pursuant to s. 376.30711 460 to ensure that site mobilizations are performed in a cost-461 effective manner. Sites that are not eligible for state 462 restoration funding may transition to long-term natural 463 attenuation monitoring using the criteria in this subparagraph. 464 Nothing in This subparagraph does not preclude precludes a site 465 from pursuing a "No Further Action" order with conditions. 466 3. The department shall evaluate whether higher natural

attenuation default concentrations for natural attenuation monitoring or long-term natural attenuation monitoring are cost-468

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469 effective and would adequately protect <u>the</u> public health, 470 <u>safety</u>, and welfare, water resources, and the environment. The 471 department shall also evaluate site-specific characteristics 472 that would allow for higher natural attenuation or long-term 473 natural attenuation concentration levels.

474 4. A local government may not deny a building permit based 475 solely on the presence of petroleum contamination for any 476 construction, repairs, or renovations performed in conjunction 477 with tank upgrade activities to an existing retail fuel facility 478 if the facility was fully operational before the building permit was requested and if the construction, repair, or renovation is 479 480 performed by a licensed contractor. All building permits and any 481 construction, repairs, or renovations performed in conjunction 482 with such permits must comply with the applicable provisions of 483 chapters 489 and 553.

484

(6) CONTRACTING AND CONTRACTOR SELECTION REQUIREMENTS.-

485 (a) Site rehabilitation work on sites which are eligible 486 for state-funded cleanup from the fund pursuant to this section 487 and ss. 376.305(6), 376.3072, and 376.3073 may only be funded pursuant to this section. A facility operator shall abate the 488 489 source of discharge for a new release that occurred after March 490 29, 1995. If free product is present, the operator shall notify 491 the department, and the department may direct the removal of the 492 free product. The department shall grant approval to continue 493 site rehabilitation pursuant to this section. 494 When contracting for site rehabilitation activities (b)

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495	performed under the Petroleum Restoration Program, the
496	department shall comply with competitive procurement
497	requirements provided in chapter 287 or rules adopted under this
498	section or s. 287.0595. A competitive solicitation issued
499	pursuant to this section is not subject to s. 287.055.
500	(c) Each contractor performing site assessment and
501	remediation activities for state-funded sites under this section
502	shall certify to the department that the contractor meets all
503	certification and license requirements imposed by law. Each
504	contractor shall certify to the department that the contractor
505	meets the following minimum qualifications:
506	1. Complies with applicable Occupational Safety and Health
507	Administration regulations.
508	2. Maintains workers' compensation insurance for employees
509	as required by the Florida Workers' Compensation Law.
510	3. Maintains comprehensive general liability and
511	comprehensive automobile liability insurance with minimum limits
512	of at least \$1 million per occurrence and \$1 million annual
513	aggregate to pay claims for damage for personal injury,
514	including accidental death, as well as claims for property
515	damage that may arise from performance of work under the
516	program, which insurance designates the state as an additional
517	insured party.
518	4. Maintains professional liability insurance of at least
519	\$1 million per occurrence and \$1 million annual aggregate.
520	5. Has the capacity to perform or directly supervise the
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521 majority of the rehabilitation work at a site pursuant to s. 522 489.113(9). 523 The department rules implementing this section must (d) 524 specify that only qualified vendors may submit responses on a 525 competitive solicitation. The department rules must also include 526 procedures for the rejection of vendors not meeting the minimum 527 qualifications on the opening of a competitive solicitation and 528 requirements for a vendor to maintain its qualifications in 529 order to enter contracts or perform rehabilitation work. 530 A contractor that performs services pursuant to this (e) 531 subsection may file invoices for payment with the department for 532 the services described in the approved contract. The invoices 533 for payment must be submitted to the department on forms 534 provided by the department, together with evidence documenting 535 that activities were conducted or completed pursuant to the 536 approved contract. If there are sufficient unencumbered funds 537 available in the fund which have been appropriated for 538 expenditure by the Legislature, and if all of the terms of the 539 approved contract have been met, invoices for payment must be 540 paid pursuant to s. 215.422. After a contractor has submitted its invoices to the department, and before payment is made, the 541 542 contractor may assign its right to payment to another person 543 without recourse of the assignee or assignor to the state. In 544 such cases, the assignee must be paid pursuant to s. 215.422. 545 Prior notice of the assignment and assignment information must 546 be made to the department and must be signed and notarized by

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547	the assigning party.
548	(f) The contractor shall submit an invoice to the
549	department within 30 days after the date of the department's
550	written acceptance of each interim deliverable or written
551	approval of the final deliverable specified in the approved
552	contract.
553	(g) The department shall make payments based on the terms
554	of an approved contract for site rehabilitation work. The
555	department may, based on its experience and the past performance
556	and concerns regarding a contractor, retain up to 25 percent of
557	the contracted amount or use performance bonds to ensure
558	performance. The amount of retainage and the amount of
559	performance bonds, as well as the terms and conditions for such,
560	must be included in the approved contract.
561	(h) The contractor or the person to which the contractor
562	has assigned its right to payment pursuant to paragraph (e)
563	shall make prompt payment to subcontractors and suppliers for
564	their costs associated with an approved contract pursuant to s.
565	287.0585(1).
566	(i) The exemption under s. 287.0585(2) does not apply to
567	payments associated with an approved contract.
568	(j) The department may withhold payment if the validity or
569	accuracy of a contractor's invoices or supporting documents is
570	in question.
571	(k) This section does not authorize payment to a person
572	for costs of contaminated soil treatment or disposal that does
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573 not meet the applicable rules of this state for such treatment 574 or disposal, including all general permitting, state air 575 emission standards, monitoring, sampling, and reporting rules more specifically described in department rules. 576 577 The department shall terminate or suspend a (1) 578 contractor's eligibility for participation in the program if the 579 contractor fails to perform its contractual duties for site 580 rehabilitation program tasks. 581 (m) A site owner or operator, or his or her designee, may not receive any remuneration, in cash or in kind, directly or 582 583 indirectly, from a rehabilitation contractor performing site 584 cleanup activities pursuant to this section. 585 (7) (6) FUNDING.-The Inland Protection Trust Fund shall be funded as follows: 586 587 (a) All excise taxes levied, collected, and credited to 588 the fund in accordance with the provisions of ss. 206.9935(3) 589 and 206.9945(1)(c). 590 (b) All penalties, judgments, recoveries, reimbursements, 591 and other fees and charges credited to the fund pursuant to in 592 accordance with the provisions of subsection (3). 593 (8) (7) DEPARTMENTAL DUTY TO SEEK RECOVERY AND 594 REIMBURSEMENT.-595 Except as provided in subsection (10) (9) and as (a) 596 otherwise provided by law, the department shall recover to the use of the fund from a person or persons at any time causing or 597 having caused the discharge or from the Federal Government, 598 Page 23 of 71 PCB ANRS 14-02 CODING: Words stricken are deletions; words underlined are additions.

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599 jointly and severally, all sums owed or expended from the fund, 600 pursuant to s. 376.308, except that the department may decline 601 to pursue such recovery if it finds the amount involved too 602 small or the likelihood of recovery too uncertain. Sums 603 recovered as a result of damage due to a discharge related to 604 the storage of petroleum or petroleum products or other similar 605 disaster shall be apportioned between the fund and the General 606 Revenue Fund so as to repay the full costs to the General 607 Revenue Fund of any sums disbursed therefrom as a result of such 608 disaster. A Any request for reimbursement to the fund for such 609 costs, if not paid within 30 days after of demand, shall be turned over to the department for collection. 610

611 (b) Except as provided in subsection  $(10) \frac{(9)}{(9)}$  and as 612 otherwise provided by law, it is the duty of the department in 613 administering the fund diligently to pursue the reimbursement to 614 the fund of any sum expended from the fund for cleanup and 615 abatement pursuant to in accordance with the provisions of this 616 section or s. 376.3073, unless the department finds the amount 617 involved too small or the likelihood of recovery too uncertain. 618 For the purposes of s. 95.11, the limitation period within which 619 to institute an action to recover such sums shall begin commence 620 on the last date on which  $\frac{1}{2}$  such sums were expended, and not 621 the date on which that the discharge occurred. The department's 622 claim for recovery of payments or overpayments from the fund 623 must be based on the law in existence at the time of the payment 624 or overpayment.

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625 If the department initiates an enforcement action to (C) 626 clean up a contaminated site and determines that the responsible 627 party cannot is financially unable to undertake complete 628 restoration of the contaminated site, that the current property 629 owner was not responsible for the discharge when the contamination first occurred, or that the state's interest can 630 631 best be served by conducting cleanup, the department may enter 632 into an agreement with the responsible party or property owner 633 whereby the department agrees to conduct site rehabilitation and 634 the responsible party or property owner agrees to pay for the portion of the cleanup costs that are within such party's or 635 owner's financial capabilities as determined by the department, 636 taking into consideration the party's or owner's net worth and 637 638 the economic impact on the party or owner.

639 (9) (8) INVESTMENTS; INTEREST.-Moneys in the fund which are 640 not needed currently to meet the obligations of the department in the exercise of its responsibilities under this section and 641 642 s. 376.3073 shall be deposited with the Chief Financial Officer 643 to the credit of the fund and may be invested in such manner as 644 is provided for by law statute. The interest received on such 645 investment shall be credited to the fund. Any provisions of law to the contrary notwithstanding, such interest may be freely 646 transferred between the this trust fund and the Water Quality 647 648 Assurance Trust Fund<sub> $\tau$ </sub> in the discretion of the department.

649 <u>(10)(9)</u> EARLY DETECTION INCENTIVE PROGRAM.—To encourage 650 early detection, reporting, and cleanup of contamination from

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651 leaking petroleum storage systems, the department shall, within 652 the guidelines established in this subsection, conduct an 653 incentive program which <u>provides</u> shall provide for a 30-month 654 grace period ending on December 31, 1988. <del>Pursuant thereto:</del>

655 The department shall establish reasonable requirements (a) 656 for the written reporting of petroleum contamination incidents 657 and shall distribute forms to registrants under s. 376.303(1)(b) 658 and to other interested parties upon request to be used for such 659 purpose. Until such forms are available for distribution, the 660 department shall take reports of such incidents, however made, 661 but shall notify any person making such a report that a complete written report of the incident will be required by the 662 department at a later time, the form for which will be provided 663 664 by the department.

665 When reporting forms become available for (b) 666 distribution, all sites involving incidents of contamination 667 from petroleum storage systems initially reported to the 668 department at any time from midnight on June 30, 1986, to midnight on December 31, 1988, shall be qualified sites if  $\overline{t}$ 669 670 provided that such a complete written report is filed with 671 respect thereto within a reasonable time. Subject to the delays which may occur as a result of the prioritization of sites under 672 673 paragraph (5) (a) for any qualified site, costs for activities 674 described in paragraphs (4)(a)-(e) shall be absorbed at the expense of the fund, without recourse to reimbursement or 675 recovery, with the following exceptions: 676

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677 1. The provisions of This subsection <u>does</u> shall not apply
678 to <u>a</u> any site where the department has been denied site access
679 to implement the provisions of this section.

680 2. The provisions of This subsection does shall not be
681 construed to authorize or require reimbursement from the fund
682 for costs expended before prior to the beginning of the grace
683 period, except as provided in subsection (12).

684 3.a. Upon discovery by the department that the owner or 685 operator of a petroleum storage system has been grossly negligent in the maintenance of such petroleum storage system; 686 687 has, with willful intent to conceal the existence of a serious 688 discharge, falsified inventory or reconciliation records 689 maintained with respect to the site at which such system is 690 located; or has intentionally damaged such petroleum storage 691 system, the site at which such system is located shall be 692 ineligible for participation in the incentive program and the 693 owner shall be liable for all costs due to discharges from 694 petroleum storage systems at that site, any other provisions of 695 chapter 86-159, Laws of Florida, to the contrary 696 notwithstanding. For the purposes of this paragraph, willful 697 failure to maintain inventory and reconciliation records, willful failure to make monthly monitoring system checks where 698 699 such systems are in place, and failure to meet monitoring and retrofitting requirements within the schedules established under 700 chapter 62-761, Florida Administrative Code, or violation of 701 702 similar rules adopted by the department under this chapter,

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703 <u>constitutes</u> shall be construed to be gross negligence in the 704 maintenance of a petroleum storage system.

b. The department shall redetermine the eligibility of petroleum storage systems for which a timely <u>Early Detection</u> <u>Incentive Program</u> EDI application was filed, but which were deemed ineligible by the department, under the following conditions:

(I) The owner or operator, on or before March 31, 1991, shall submit, in writing, notification that the storage system is now in compliance with department rules adopted pursuant to s. 376.303, and which requests the department to reevaluate the storage system eligibility; and

(II) The department verifies the storage system compliancebased on a compliance inspection.

718 Provided, however, that A site may be determined eligible by the 719 department for good cause shown, including, but not limited to, 720 demonstration by the owner or operator that to achieve 721 compliance would cause an increase in the potential for the 722 spread of the contamination.

723 c. Redetermination of eligibility pursuant to sub-724 subparagraph b. shall not be available to:

(I) Petroleum storage systems owned or operated by theFederal Government.

(II) Facilities that denied site access to the department.

(III) Facilities where a discharge was intentionally

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729 concealed. 730 (IV) Facilities that were denied eligibility due to: 731 Absence of contamination, unless any such facility (A) 732 subsequently establishes that contamination did exist at that 733 facility on or before December 31, 1988. 734 Contamination from substances that were not petroleum (B) 735 or a petroleum product. 736 (C) Contamination that was not from a petroleum storage 737 system. d. EDI Applicants who demonstrate compliance for a site 738 739 pursuant to sub-subparagraph b. are eligible for the Early 740 Detection Incentive Program and site rehabilitation funding 741 pursuant to subsections subsection (5) and (6) s. 376.30711. 742 743 If, in order to avoid prolonged delay, the department in its 744 discretion deems it necessary to expend sums from the fund to 745 cover ineligible sites or costs as set forth in this paragraph, 746 the department may do so and seek recovery and reimbursement 747 therefor in the same manner and pursuant to in accordance with 748 the same procedures as are established for recovery and

749 reimbursement of sums otherwise owed to or expended from the 750 fund.
751 (c) A No report of a discharge made to the department by a

752 any person <u>pursuant to</u> in accordance with this subsection, or 753 any rules <u>adopted</u> promulgated pursuant <u>to this subsection may</u> 754 <u>not hereto</u>, shall be used directly as evidence of liability for

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755 such discharge in any civil or criminal trial arising out of the 756 discharge.

(d) The provisions of This subsection does shall not apply
to petroleum storage systems owned or operated by the Federal
Government.

760 (11) (10) VIOLATIONS; PENALTY.  $-\underline{A}$  It is unlawful for any 761 person may not to:

(a) Falsify inventory or reconciliation records maintained
in compliance with chapters 62-761 and 62-762, Florida
Administrative Code, with willful intent to conceal the
existence of a serious leak; or

766 767

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(b) Intentionally damage a petroleum storage system.

A Any person convicted of such a violation is shall be guilty of a felony of the third degree, punishable as provided in s. 770 775.082, s. 775.083, or s. 775.084.

(12) (11) SITE CLEANUP.-

(a) Voluntary cleanup.-This section does not prohibit a
person from conducting site rehabilitation either through his or
her own personnel or through responsible response action
contractors or subcontractors when such person is not seeking
site rehabilitation funding from the fund. Such voluntary
cleanups must meet all applicable environmental standards.

(b) Low-scored site initiative.-Notwithstanding
 subsections (5) and (6) s. 376.30711, a any site with a priority
 ranking score of 29 points or less may voluntarily participate

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PCB ANRS 14-02 ORIGINAL 2014 781 in the low-scored site initiative regardless of  $\tau$  whether or not 782 the site is eligible for state restoration funding. 783 To participate in the low-scored site initiative, the 1. 784 responsible party or property owner must affirmatively 785 demonstrate that the following conditions are met: 786 Upon reassessment pursuant to department rule, the site a. 787 retains a priority ranking score of 29 points or less. No Excessively contaminated soil, as defined by 788 b. 789 department rule, does not exist exists onsite as a result of a 790 release of petroleum products. A minimum of 6 months of groundwater monitoring 791 с. 792 indicates that the plume is shrinking or stable. 793 d. The release of petroleum products at the site does not 794 adversely affect adjacent surface waters, including their effects on human health and the environment. 795 796 The area of groundwater containing the petroleum e. 797 products' chemicals of concern is less than one-quarter acre and 798 is confined to the source property boundaries of the real 799 property on which the discharge originated. f. Soils onsite that are subject to human exposure found 800

between land surface and 2 feet below land surface meet the soil cleanup target levels established by department rule or human exposure is limited by appropriate institutional or engineering controls.

805 2. Upon affirmative demonstration of the conditions under806 subparagraph 1., the department shall issue a determination of

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807 "No Further Action." Such determination acknowledges that 808 minimal contamination exists onsite and that such contamination 809 is not a threat to <u>the public</u> human health, safety, or welfare, 810 <u>water resources</u>, or the environment. If no contamination is 811 detected, the department may issue a site rehabilitation 812 completion order.

813 3. Sites that are eligible for state restoration funding 814 may receive payment of preapproved costs for the low-scored site 815 initiative as follows:

816 A responsible party or property owner may submit an a. 817 assessment plan designed to affirmatively demonstrate that the site meets the conditions under subparagraph 1. Notwithstanding 818 the priority ranking score of the site, the department may 819 820 approve preapprove the cost of the assessment pursuant to s. 821 376.30711, including 6 months of groundwater monitoring, not to 822 exceed \$30,000 for each site. The department may not pay the 823 costs associated with the establishment of institutional or 824 engineering controls.

b. The assessment work shall be completed no later than 6months after the department issues its approval.

c. No more than \$10 million for the low-scored site initiative may be encumbered from the Inland Protection Trust fund in any fiscal year. Funds shall be made available on a first-come, first-served basis and shall be limited to 10 sites in each fiscal year for each responsible party or property owner.

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833 Program deductibles, copayments, and the limited d. contamination assessment report requirements under paragraph 834 835 (13) (c) do not apply to expenditures under this paragraph. 836 (12) REIMBURSEMENT FOR CLEANUP EXPENSES. Except as 837 provided in s. 2(3), chapter 95-2, Laws of Florida, this 838 subsection shall not apply to any site rehabilitation program 839 task initiated after March 29, 1995. Effective August 1, 1996, 840 no further site rehabilitation work on sites eligible for state-841 funded cleanup from the Inland Protection Trust Fund shall be 842 eligible for reimbursement pursuant to this subsection. The 843 person responsible for conducting site rehabilitation may seek 844 reimbursement for site rehabilitation program task work 845 conducted after March 28, 1995, in accordance with s. 2(2) and 846 (3), chapter 95-2, Laws of Florida, regardless of whether the 847 site rehabilitation program task is completed. A site 848 rehabilitation program task shall be considered to be initiated 849 when actual onsite work or engineering design, pursuant to 850 chapter 62-770, Florida Administrative Code, which is integral 851 to performing a site rehabilitation program task has begun and 852 shall not include contract negotiation and execution, site 853 research, or project planning. All reimbursement applications 854 pursuant to this subsection must be submitted to the department 855 by January 3, 1997. The department shall not accept any 856 applications for reimbursement or pay any claims on applications 857 for reimbursement received after that date; provided, however if 858 an application filed on or prior to January 3, 1997, was Page 33 of 71

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859 returned by the department on the grounds of untimely filing, 860 shall be refiled within 30 days after the effective date of this 861 act in order to be processed. 862 (a) Legislative findings.-The Legislature finds and 863 declares that rehabilitation of contamination sites should be 864 conducted in a manner and to a level of completion which will 865 protect the public health, safety, and welfare and will minimize 866 damage to the environment. 867 (b) Conditions.-868 The owner, operator, or his or her designee of a site 869 which is eligible for restoration funding assistance in the EDI, 870 PLRIP, or ATRP programs shall be reimbursed from the Inland 871 Protection Trust Fund of allowable costs at reasonable rates 872 incurred on or after January 1, 1985, for completed program 873 tasks as identified in the department rule promulgated pursuant 874 to paragraph (5) (b), or uncompleted program tasks pursuant to 875 chapter 95-2, Laws of Florida, subject to the conditions in this 876 section. It is unlawful for a site owner or operator, or his or 877 her designee, to receive any remuneration, in cash or in kind, 878 directly or indirectly from the rehabilitation contractor. 879 2. Nothing in this subsection shall be construed to 880 authorize reimbursement to any person for costs of contaminated 881 soil treatment or disposal that does not meet the applicable rules of this state for such treatment or disposal, including 882 883 all general permitting, state air emission standards, monitoring, sampling, and reporting rules more specifically 884

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885	described in department rules.	
886	-	
	(c) Legislative intentDue to the value of the potable	
887	water of this state, it is the intent of the Legislature that	
888	the department initiate and facilitate as many cleanups as	
889	possible utilizing the resources of the state, local	
890	governments, and the private sector, recognizing that source	
891	removal, wherever it is technologically feasible and cost-	
892	effective, shall be considered the primary initial response to	
893	protect public health, safety, and the environment.	
894	(d) Amount of reimbursementThe department shall	
895	reimburse actual and reasonable costs for site rehabilitation.	
896	The department shall not reimburse interest on the amount of	
897	reimbursable costs for any reimbursement application. However,	
898	nothing herein shall affect the department's authority to pay	
899	interest authorized under prior law.	
900	(e) Records. The person responsible for conducting site	
901	rehabilitation, or his or her agent, shall keep and preserve	
902	suitable records as follows:	
903	1. Hydrological and other site investigations and	
904	assessments; site rehabilitation plans; contracts and contract	
905	negotiations; and accounts, invoices, sales tickets, or other	
906	payment records from purchases, sales, leases, or other	
907	transactions involving costs actually incurred related to site	
908	rehabilitation. Such records shall be made available upon	
909	request to agents and employees of the department during regular	
910	business hours and at other times upon written request of the	
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911 department.

912 2. In addition, the department may from time to time 913 request submission of such site-specific information as it may 914 require, unless a waiver or variance from such department 915 request is granted pursuant to paragraph (k). 916 All records of costs actually incurred for cleanup 3. 917 shall be certified by affidavit to the department as being true 918 and correct. 919 (f) Application for reimbursement. Any eligible person who 920 performs a site rehabilitation program or performs site 921 rehabilitation program tasks such as preparation of site 922 rehabilitation plans or assessments; product recovery; cleanup 923 of groundwater or inland surface water; soil treatment or 924 removal; or any other tasks identified by department rule 925 developed pursuant to subsection (5), may apply for 926 reimbursement. Such applications for reimbursement must be 927 submitted to the department on forms provided by the department, 928 together with evidence documenting that site rehabilitation 929 program tasks were conducted or completed in accordance with 930 department rule developed pursuant to subsection (5), and other 931 such records or information as the department requires. The 932 reimbursement application and supporting documentation shall be 933 examined by a certified public accountant in accordance with 934 standards established by the American Institute of Certified 935 Public Accountants. A copy of the accountant's report shall be 936 submitted with the reimbursement application. Applications for Page 36 of 71

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937 reimbursement shall not be approved for site rehabilitation 938 program tasks which have not been completed, except for the task 939 of remedial action and except for uncompleted program tasks 940 pursuant to chapter 95-2, Laws of Florida, and this subsection. 941 Applications for remedial action may be submitted semiannually 942 at the discretion of the person responsible for cleanup. After 943 an applicant has filed an application with the department and 944 before payment is made, the applicant may assign the right to 945 payment to any other person, without recourse of the assignee or 946 assignor to the state, without affecting the order in which 947 payment is made. Information necessary to process the 948 application shall be requested from and provided by the 949 assigning applicant. Proper notice of the assignment and 950 assignment information shall be made to the department which 951 notice shall be signed and notarized by the assigning applicant. 952 (q) Review.-953 Provided there are sufficient unencumbered funds 954 available in the Inland Protection Trust Fund, or to the extent 955 proceeds of debt obligations are available for the payment of 956 existing reimbursement obligations pursuant to s. 376.3075, the 957 department shall have 60 days to determine if the applicant has 958 provided sufficient information for processing the application 959 and shall request submission of any additional information that 960 the department may require within such 60-day period. If the 961 applicant believes any request for additional information is not 962 authorized, the applicant may request a hearing pursuant to ss.

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963 120.569 and 120.57. Once the department requests additional 964 information, the department may request only that information 965 needed to clarify such additional information or to answer new 966 questions raised by or directly related to such additional 967 information.

968 2. The department shall deny or approve the application 969 for reimbursement within 90 days after receipt of the last item 970 of timely requested additional material, or, if no additional 971 material is requested, within 90 days of the close of the 60-day 972 period described in subparagraph 1., unless the total review 973 period is otherwise extended by written mutual agreement of the 974 applicant and the department.

975 3. Final disposition of an application shall be provided 976 to the applicant in writing, accompanied by a written 977 explanation setting forth in detail the reason or reasons for 978 the approval or denial. If the department fails to make a 979 determination on an application within the time provided in 980 subparagraph 2., or denies an application, or if a dispute 981 otherwise arises with regard to reimbursement, the applicant may 982 request a hearing pursuant to ss. 120.569 and 120.57.

983 (h) Reimbursement. Upon approval of an application for 984 reimbursement, reimbursement for reasonable expenditures of a 985 site rehabilitation program or site rehabilitation program tasks 986 documented therein shall be made in the order in which the 987 department receives completed applications. Effective January 1, 988 1997, all unpaid reimbursement applications are subject to Page 38 of 71

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989 payment on the following terms: The department shall develop a 990 schedule of the anticipated dates of reimbursement of 991 applications submitted to the department pursuant to this 992 subsection. The schedule shall specify the projected date of 993 payment based on equal monthly payments and projected annual 994 revenue of \$100 million. Based on the schedule, the department 995 shall notify all reimbursement applicants of the projected date 996 of payment of their applications. The department shall direct 997 the Inland Protection Financing Corporation to pay applicants 998 the present value of their applications as soon as practicable 999 after approval by the department, subject to the availability of 1000 funds within the Inland Protection Financing Corporation. The 1001 present value of an application shall be based on the date on 1002 which the department anticipates the Inland Protection Financing 1003 Corporation will settle the reimbursement application and the 1004 schedule's projected date of payment and shall use 3.5 percent 1005 the annual discount rate. The determination of the amount as 1006 the claim and the projected date of payment shall be subject to 1007 s. 120.57.

(i) Liberal construction.-With respect to site rehabilitation initiated prior to July 1, 1986, the provisions of this subsection shall be given such liberal construction by the department as will accomplish the purposes set forth in this subsection. With regard to the keeping of particular records or the giving of certain notice, the department may accept as compliance action by a person which meets the intent of the Page 39 of 71

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1015	requirements set forth in this subsection.
1016	(j) Reimbursement-review contractsThe department may
1017	contract with entities capable of processing or assisting in the
1018	review of reimbursement applications. Any purchase of such
1019	services shall not be subject to chapter 287.
1020	(k) Audits
1021	1. The department is authorized to perform financial and
1022	technical audits in order to certify site restoration costs and
1023	ensure compliance with this chapter. The department shall seek
1024	recovery of any overpayments based on the findings of these
1025	audits. The department must commence any audit within 5 years
1026	after the date of reimbursement, except in cases where the
1027	department alleges specific facts indicating fraud.
1028	2. Upon determination by the department that any portion
1029	of costs which have been reimbursed are disallowed, the
1030	department shall give written notice to the applicant setting
1031	forth with specificity the allegations of fact which justify the
1032	department's proposed action and ordering repayment of
1033	disallowed costs within 60 days of notification of the
1034	applicant.
1035	3. In the event the applicant does not make payment to the
1036	department within 60 days of receipt of such notice, the
1037	department shall seek recovery in a court of competent
1038	jurisdiction to recover reimbursement overpayments made to the
1039	person responsible for conducting site rehabilitation, unless
1040	the department finds the amount involved too small or the
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1041 likelihood of recovery too uncertain. 1042 4. In addition to the amount of any overpayment, the 1043 applicant shall be liable to the department for interest of 1 1044 percent per month or the prime rate, whichever is less, on the 1045 amount of overpayment, from the date of overpayment by -the 1046 department until the applicant satisfies the department's 1047 request for repayment pursuant to this paragraph. The 1048 calculation of interest shall be tolled during the pendency of 1049 any litigation. Financial and technical audits frequently are conducted 1050 1051 under this section many years after the site rehabilitation 1052 activities were performed and the costs examined in the course 1053 of the audit were incurred by the person responsible for site 1054 rehabilitation. During the intervening span of years, the 1055 department's rule requirements and its related guidance and 1056 other nonrule policy directives may have changed significantly. 1057 The Legislature finds that it may be appropriate for the 1058 department to provide relief to persons subject to such 1059 requirements in financial and technical audits conducted 1060 pursuant to this section. 1061 The department is authorized to grant variances and <del>a.</del> 1062 waivers from the documentation requirements of subparagraph 1063 (e)2. and from the requirements of rules applicable in technical 1064 and financial audits conducted under this section. Variances and waivers shall be granted when the person responsible for site 1065 1066 rehabilitation demonstrates to the department that application

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1067 of a financial or technical auditing requirement would create a 1068 substantial hardship or would violate principles of fairness. 1069 For purposes of this subsection, "substantial hardship" means a 1070 demonstrated economic, technological, legal, or other type of hardship to the person requesting the variance or 1071 waiver. For purposes of this subsection, "principles of fairness" 1072 are 1073 violated when the application of a requirement affects a 1074 particular person in a manner significantly different from the 1075 way it affects other similarly situated persons who are affected 1076 by the requirement or when the requirement is being applied 1077 retroactively without due notice to the affected parties. 1078 b. A person whose reimbursed costs are subject to a 1079 financial and technical audit under this section may file a 1080 written request to the department for grant of a variance or 1081 waiver. The request shall specify: 1082 (I) The requirement from which a variance or waiver is 1083 requested. 1084 (II) The type of action requested. 1085 (III) The specific facts which would justify a waiver or 1086 variance. 1087 (IV) The reason or reasons why the requested variance or 1088 waiver would serve the purposes of this section. 1089 c. Within 90 days after receipt of a written request for 1090 variance or waiver under this subsection, the department shall grant or deny the request. If the request is not granted or 1091 denied within 90 days of receipt, the request shall be deemed 1092 Page 42 of 71

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1093 approved. An order granting or denying the request shall be 1094 writing and shall contain a statement of the relevant facts and 1095 reasons supporting the department's action. The department's 1096 decision to grant or deny the petition shall be supported by competent substantial evidence and is subject to ss. 120.569 and 1097 1098 120.57. Once adopted, model rules promulgated by the 1099 Administration Commission under s. 120.542 shall govern the 1100 processing of requests under this provision.

1101 6. The Chief Financial Officer may audit the records of 1102 persons who receive or who have received payments pursuant to 1103 this chapter in order to verify site restoration costs, ensure 1104 compliance with this chapter, and verify the accuracy and 1105 completeness of audits performed by the department pursuant to 1106 this paragraph. The Chief Financial Officer may contract with 1107 entities or persons to perform audits pursuant to this 1108 subparagraph. The Chief Financial Officer shall commence any 1109 audit within 1 year after the department's completion of an 1110 audit conducted pursuant to this paragraph, except in cases 1111 where the department or the Chief Financial Officer alleges 1112 specific facts indicating fraud.

(13) PETROLEUM CLEANUP PARTICIPATION PROGRAM.-To encourage detection, reporting, and cleanup of contamination caused by discharges of petroleum or petroleum products, the department shall, within the guidelines established in this subsection, implement a cost-sharing cleanup program to provide rehabilitation funding assistance for all property contaminated Page 43 of 71

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1119 by discharges of petroleum or petroleum products occurring 1120 before January 1, 1995, subject to a copayment provided for in a Petroleum Cleanup Participation Program preapproved site 1121 1122 rehabilitation agreement. Eligibility is shall be subject to an 1123 annual appropriation from the Inland Protection Trust fund. 1124 Additionally, funding for eligible sites is shall be contingent 1125 upon annual appropriation in subsequent years. Such continued 1126 state funding is shall not be deemed an entitlement or a vested 1127 right under this subsection. Eligibility shall be determined in the program, shall be notwithstanding any other provision of 1128 1129 law, consent order, order, judgment, or ordinance to the 1130 contrary.

(a)1. The department shall accept any discharge reporting form received <u>before</u> prior to January 1, 1995, as an application for this program, and the facility owner or operator need not reapply.

Owners or operators of property contaminated by 1135 2. petroleum or petroleum products from a petroleum storage system 1136 1137 may apply for such program by filing a written report of the contamination incident, including evidence that such incident 1138 occurred before prior to January 1, 1995, with the department. 1139 Incidents of petroleum contamination discovered after December 1140 31, 1994, at sites which have not stored petroleum or petroleum 1141 products for consumption, use, or sale after such date shall be 1142 presumed to have occurred before prior to January 1, 1995. An 1143 operator's filed report shall be deemed an application of the 1144

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1145 owner for all purposes. Sites reported to the department after
1146 December 31, 1998, are shall not be eligible for the this
1147 program.

1148 (b) Subject to annual appropriation from the Inland 1149 Protection Trust fund, sites meeting the criteria of this subsection are eligible for up to \$400,000 of site 1150 1151 rehabilitation funding assistance in priority order pursuant to subsections subsection (5) and (6) s. 376.30711. Sites meeting 1152 1153 the criteria of this subsection for which a site rehabilitation 1154 completion order was issued before prior to June 1, 2008, do not 1155 qualify for the 2008 increase in site rehabilitation funding assistance and are bound by the pre-June 1, 2008, limits. Sites 1156 meeting the criteria of this subsection for which a site 1157 1158 rehabilitation completion order was not issued before prior to 1159 June 1, 2008, regardless of whether or not they have previously 1160 transitioned to nonstate-funded cleanup status, may continue state-funded cleanup pursuant to this section s. 376.30711 until 1161 a site rehabilitation completion order is issued or the 1162 1163 increased site rehabilitation funding assistance limit is 1164 reached, whichever occurs first. The department may not pay At 1165 no time shall expenses incurred beyond outside the scope of an approved contract preapproved site rehabilitation program under 1166 1167 s. 376.30711 be reimbursable.

(c) Upon notification by the department that rehabilitation funding assistance is available for the site pursuant to <u>subsections</u> <del>subsection</del> (5) and <u>(6)</u> <del>s. 376.30711</del>, the

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1171 owner, operator, or person otherwise responsible for site 1172 rehabilitation shall provide the department with a limited 1173 contamination assessment report and shall enter into a Petroleum 1174 Cleanup Participation Program preapproved site rehabilitation 1175 agreement with the department and a contractor qualified under s. 376.30711(2)(b). The agreement must shall provide for a 25-1176 1177 percent copayment by the owner, operator, or person otherwise 1178 responsible for conducting site rehabilitation. The owner, 1179 operator, or person otherwise responsible for conducting site 1180 rehabilitation shall adequately demonstrate the ability to meet 1181 the copayment obligation. The limited contamination assessment report and the copayment costs may be reduced or eliminated if 1182 1183 the owner and all operators responsible for restoration under s. 1184 376.308 demonstrate that they cannot are financially unable to 1185 comply with the copayment and limited contamination assessment 1186 report requirements. The department shall take into 1187 consideration the owner's and operator's net worth in making the 1188 determination of financial ability. In the event the department 1189 and the owner, operator, or person otherwise responsible for 1190 site rehabilitation cannot are unable to complete negotiation of 1191 the cost-sharing agreement within 120 days after beginning 1192 commencing negotiations, the department shall terminate negotiations and the site shall be deemed ineligible for state 1193 1194 funding under this subsection and all liability protections provided for in this subsection shall be revoked. 1195

1196 (d) <u>A</u> No report of a discharge made to the department by <u>a</u>

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1197 any person <u>pursuant to</u> in accordance with this subsection, or 1198 any rules adopted pursuant <u>to this subsection may not</u> hereto, 1199 shall be used directly as evidence of liability for such 1200 discharge in any civil or criminal trial arising out of the 1201 discharge.

(e) Nothing in This subsection does not shall be construed
to preclude the department from pursuing penalties <u>under in</u>
accordance with s. 403.141 for violations of any law or any
rule, order, permit, registration, or certification adopted or
issued by the department pursuant to its lawful authority.

1207 (f) Upon the filing of a discharge reporting form under paragraph (a), neither the department or nor any local 1208 1209 government may not shall pursue any judicial or enforcement 1210 action to compel rehabilitation of the discharge. This paragraph 1211 does shall not prevent any such action with respect to 1212 discharges determined ineligible under this subsection or to sites for which rehabilitation funding assistance is available 1213 1214 pursuant to subsections in accordance with subsection (5) and (6) <del>s. 376.30711</del>. 1215

1216 (g) The following <u>are shall be excluded from participation</u> 1217 in the program:

1218 1. Sites at which the department has been denied 1219 reasonable site access to implement the provisions of this 1220 section.

1221 2. Sites that were active facilities when owned or 1222 operated by the Federal Government.

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1223 Sites that are identified by the United States 3. 1224 Environmental Protection Agency to be on, or which qualify for 1225 listing on, the National Priorities List under Superfund. This 1226 exception does not apply to those sites for which eligibility 1227 has been requested or granted as of the effective date of this 1228 act under the Early Detection Incentive Program established 1229 pursuant to s. 15, chapter 86-159, Laws of Florida. 1230 Sites for which The contamination is covered under the 4. 1231 Early Detection Incentive Program, the Abandoned Tank 1232 Restoration Program, or the Petroleum Liability and Restoration 1233 Insurance Program, in which case site rehabilitation funding 1234 assistance shall continue under the respective program. 1235 (14)LEGISLATIVE APPROVAL AND AUTHORIZATION.-Before Prior 1236 to the department enters entering into a service contract with 1237 the Inland Protection Financing Corporation which includes 1238 payments by the department to support any existing or planned note, bond, certificate of indebtedness, or other obligation or 1239 1240 evidence of indebtedness of the corporation pursuant to s. 1241 376.3075, the Legislature, by law, must specifically authorize 1242 the department to enter into such a contract. The corporation 1243 may issue bonds in an amount not to exceed \$104 million, with a 1244 term up to 15 years, and annual payments not in excess of \$10.4 million. The department may enter into a service contract in 1245 1246 conjunction with the issuance of such bonds which provides for annual payments for debt service payments or other amounts 1247 payable with respect to bonds, plus any administrative expenses 1248

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PCB ANRS 14-02 ORIGINAL 2014 1249 of the corporation to finance the rehabilitation of petroleum 1250 contamination sites pursuant to ss. 376.30-376.317. 1251 Section 2. Section 376.30711, Florida Statutes, is 1252 repealed. 1253 Section 3. Subsections (4) and (30) of section 376.301, 1254 Florida Statutes, are amended to read: 1255 376.301 Definitions of terms used in ss. 376.30-376.317, 1256 376.70, and 376.75.-When used in ss. 376.30-376.317, 376.70, and 1257 376.75, unless the context clearly requires otherwise, the term: 1258 (4) "Backlog" means reimbursement obligations incurred 1259 pursuant to s. 376.3071(12), prior to March 29, 1995, or 1260 authorized for reimbursement under the provisions of s. 1261 376.3071(12), pursuant to chapter 95-2, Laws of Florida. Claims 1262 within the backlog are subject to adjustment, where appropriate. 1263 (30) "Person responsible for conducting site 1264 rehabilitation" means the site owner, operator, or the person 1265 designated by the site owner or operator on the reimbursement 1266 application. Mortgage holders and trust holders may be eligible 1267 to participate in the reimbursement program pursuant to s. 376.3071(12). 1268 1269 Section 4. Subsection (5) of section 376.302, Florida 1270 Statutes, is amended to read: 1271 376.302 Prohibited acts; penalties.-1272 A Any person who commits fraud in representing his or (5) her their qualifications as a contractor for reimbursement or in 1273 1274 submitting a payment invoice reimbursement request pursuant to Page 49 of 71 **PCB ANRS 14-02** 

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1275 s. <u>376.3071</u> <del>376.3071(12)</del> commits a felony of the third degree, 1276 punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

1277 Section 5. Subsection (6) of section 376.305, Florida1278 Statutes, is amended to read:

1279

376.305 Removal of prohibited discharges.-

1280 (6) The Legislature created the Abandoned Tank Restoration 1281 Program in response to the need to provide financial assistance 1282 for cleanup of sites that have abandoned petroleum storage 1283 systems. For purposes of this subsection, the term "abandoned petroleum storage system" means a shall mean any petroleum 1284 1285 storage system that has not stored petroleum products for 1286 consumption, use, or sale since March 1, 1990. The department 1287 shall establish the Abandoned Tank Restoration Program to 1288 facilitate the restoration of sites contaminated by abandoned 1289 petroleum storage systems.

1290

(a) To be included in the program:

1291 1. An application must be submitted to the department by 1292 June 30, 1996, certifying that the system has not stored 1293 petroleum products for consumption, use, or sale at the facility 1294 since March 1, 1990.

1295 2. The owner or operator of the petroleum storage system 1296 when it was in service must have ceased conducting business 1297 involving consumption, use, or sale of petroleum products at 1298 that facility on or before March 1, 1990.

1299 3. The site is not otherwise eligible for the cleanup 1300 programs pursuant to s. 376.3071 or s. 376.3072.

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1301 In order to be eligible for the program, petroleum (b) 1302 storage systems from which a discharge occurred must be closed pursuant to in accordance with department rules before prior to 1303 1304 an eligibility determination. However, if the department 1305 determines that the owner of the facility cannot is financially 1306 unable to comply with the department's petroleum storage system 1307 closure requirements and all other eligibility requirements are 1308 met, the petroleum storage system closure requirements shall be 1309 waived. The department shall take into consideration the owner's 1310 net worth and the economic impact on the owner in making the 1311 determination of the owner's financial ability. The June 30, 1996, application deadline shall be waived for owners who cannot 1312 1313 are financially unable to comply. 1314 Sites accepted in the program are will be eligible for (C) 1315 site rehabilitation funding as provided in s. 376.3071 1316 376.3071(12) or s. 376.30711, as appropriate. The following sites are excluded from eligibility: 1317 (d) Sites on property of the Federal Government; 1318 1. 1319 2. Sites contaminated by pollutants that are not petroleum 1320 products; 1321 3. Sites where the department has been denied site access; 1322 or 1323 Sites which are owned by a any person who had knowledge 4. 1324 of the polluting condition when title was acquired unless the that person acquired title to the site after issuance of a 1325 notice of site eligibility by the department. 1326 Page 51 of 71 PCB ANRS 14-02

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1327 Participating sites are subject to a deductible as (e) 1328 determined by rule, not to exceed \$10,000. 1329 1330 The provisions of This subsection does do not relieve a any 1331 person who has acquired title after subsequent to July 1, 1992, from the duty to establish by a preponderance of the evidence 1332 1333 that he or she undertook, at the time of acquisition, all 1334 appropriate inquiry into the previous ownership and use of the 1335 property consistent with good commercial or customary practice 1336 in an effort to minimize liability, as required by s. 1337 376.308(1)(c). Section 6. Section 376.30713, Florida Statutes, is amended 1338 1339 to read: 1340 376.30713 Preapproved Advanced cleanup.-1341 In addition to the legislative findings provided in s. (1)1342 376.3071 <del>376.30711</del>, the Legislature finds and declares: That the inability to conduct site rehabilitation in 1343 (a) 1344 advance of a site's priority ranking pursuant to s. 1345 376.3071(5)(a) may substantially impede or prohibit property 1346 transactions or the proper completion of public works projects. 1347 (b) While the first priority of the state is to provide for protection of the public health, safety, and welfare, the 1348 1349 water resources of the state, human health, and the environment, 1350 the viability of commerce is of equal importance to the state. 1351 It is in the public interest and of substantial (C)economic benefit to the state to provide an opportunity for site 1352 Page 52 of 71

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1353 rehabilitation to be conducted on a limited basis at 1354 contaminated sites, in advance of the site's priority ranking, 1355 to facilitate property transactions or public works projects.

1356 (d) It is appropriate for a person who is persons 1357 responsible for site rehabilitation to share the costs 1358 associated with managing and conducting preapproved advanced 1359 cleanup, to facilitate the opportunity for preapproved advanced 1360 cleanup, and to mitigate the additional costs that will be 1361 incurred by the state in conducting site rehabilitation in 1362 advance of the site's priority ranking. Such cost sharing will 1363 result in more contaminated sites being cleaned up and greater environmental benefits to the state. The provisions of This 1364 1365 section is shall only be available for sites eligible for 1366 restoration funding under EDI, ATRP, or PLRIP PLIRP. This 1367 section is available for discharges eligible for restoration 1368 funding under the petroleum cleanup participation program for the state's cost share of site rehabilitation. Applications must 1369 1370 shall include a cost-sharing commitment for this section in 1371 addition to the 25-percent-copayment requirement of the 1372 petroleum cleanup participation program. This section is not 1373 available for any discharge under a petroleum cleanup 1374 participation program where the 25-percent-copayment requirement 1375 of the petroleum cleanup participation program has been reduced or eliminated pursuant to s. 376.3071(13)(c). 1376

1377 (2) The department <u>may</u> is authorized to approve an
 1378 application for <del>preapproved</del> advanced cleanup at eligible sites,

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1379 before prior to funding based on the site's priority ranking 1380 established pursuant to s. 376.3071(5)(a), pursuant to in 1381 accordance with the provisions of this section. Only the 1382 facility owner or operator or the person otherwise responsible 1383 for site rehabilitation qualifies Persons who qualify as an 1384 applicant under the provisions of this section shall only 1385 include the facility owner or operator or the person otherwise 1386 responsible for site rehabilitation.

(a) Preapproved Advanced cleanup applications may be
submitted between May 1 and June 30 and between November 1 and
December 31 of each fiscal year. Applications submitted between
May 1 and June 30 shall be for the fiscal year beginning July 1.
An application must shall consist of:

1392 1. A commitment to pay no less than 25 percent <u>or more</u> of 1393 the total cleanup cost deemed recoverable under the provisions 1394 of this section along with proof of the ability to pay the cost 1395 share.

1396 2. A nonrefundable review fee of \$250 to cover the 1397 administrative costs associated with the department's review of 1398 the application.

1399

3. A limited contamination assessment report.

4. A proposed course of action.

1401

1400

1. In proposed course of decion.

1402 The limited contamination assessment report <u>must</u> shall be 1403 sufficient to support the proposed course of action and to 1404 estimate the cost of the proposed course of action. Any Costs

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1405 incurred related to conducting the limited contamination 1406 assessment report are not refundable from the Inland Protection 1407 Trust Fund. Site eligibility under this subsection  $_{ au}$  or any other 1408 provision of this section is, shall not constitute an 1409 entitlement to preapproved advanced cleanup or continued restoration funding. The applicant shall certify to the 1410 1411 department that the applicant has the prerequisite authority to 1412 enter into an a preapproved advanced cleanup contract with the 1413 department. The This certification must shall be submitted with 1414 the application.

1415 (b) The department shall rank the applications based on the percentage of cost-sharing commitment proposed by the 1416 1417 applicant, with the highest ranking given to the applicant who 1418 that proposes the highest percentage of cost sharing. If the 1419 department receives applications that propose identical cost-1420 sharing commitments and that which exceed the funds available to commit to all such proposals during the preapproved advanced 1421 1422 cleanup application period, the department shall proceed to 1423 rerank those applicants. Those applicants submitting identical 1424 cost-sharing proposals which exceed funding availability must 1425 shall be so notified by the department and shall be offered the 1426 opportunity to raise their individual cost-share commitments, in 1427 a period of time specified in the notice. At the close of the 1428 period, the department shall proceed to rerank the applications 1429 pursuant to in accordance with this paragraph.

1430 (3)(a) Based on the ranking established under paragraph

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(2) (b) and the funding limitations provided in subsection (4), the department shall <u>begin</u> commence negotiation with such applicants. If the department and the applicant agree on the course of action, the department may enter into a contract with the applicant. The department <u>may</u> is authorized to negotiate the terms and conditions of the contract.

(b) Preapproved Advanced cleanup <u>must shall</u> be conducted
pursuant to s. 376.3071(5)(b) and (6) and rules adopted under
ss. 287.0595 and 376.3071 under the provisions of ss.
376.3071(5)(b) and 376.30711. If the terms of the preapproved
advanced cleanup contract are not fulfilled, the applicant
forfeits any right to future payment for any site rehabilitation
work conducted under the contract.

(c) The department's decision not to enter into <u>an</u> <del>a</del> preapproved advanced cleanup contract with the applicant <u>is</u> shall not <del>be</del> subject to <del>the provisions of</del> chapter 120. If the department <u>cannot</u> <del>is not able to</del> complete negotiation of the course of action and the terms of the contract within 60 days after <u>beginning</u> <del>commencing</del> negotiations, the department shall terminate negotiations with that applicant.

(4) The department <u>may</u> is authorized to enter into contracts for a total of up to \$15 million of preapproved advanced cleanup work in each fiscal year. However, a facility may not be <u>approved</u> preapproved for more than \$5 million of cleanup activity in each fiscal year. For the purposes of this section, the term "facility" <u>includes</u> shall include, but <u>is</u> not

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1457 be limited to, multiple site facilities such as airports, port 1458 facilities, and terminal facilities even though such enterprises 1459 may be treated as separate facilities for other purposes under 1460 this chapter.

(5) All funds collected by the department pursuant to this
section shall be deposited into the Inland Protection Trust Fund
to be used as provided in this section.

Section 7. Paragraph (a) of subsection (1) and subsections (3), (4), and (9) of section 376.30714, Florida Statutes, are amended to read:

1467

376.30714 Site rehabilitation agreements.-

1468 (1) In addition to the legislative findings provided in s.1469 376.3071, the Legislature finds and declares:

1470 (a) The provisions of <u>s.</u> ss. 376.3071(5) (a) and 376.307111471 have delayed cleanup of low-priority sites determined to be 1472 eligible for state funding under <u>that section and</u> ss.  $376.305_{7}$ 1473 <u>376.3071</u>, and 376.3072.

1474 Free product attributable to a new discharge shall be (3) 1475 removed to the extent practicable and pursuant to in accordance 1476 with department rules adopted pursuant to s. 376.3071(5) at the 1477 expense of the owner, operator, or other responsible party. Free 1478 product attributable to existing contamination shall be removed pursuant to in accordance with s. 376.3071(5) and (6), or s. 1479 1480  $\frac{376.30711(1)(b)}{r}$  and department rules adopted pursuant thereto. Beginning January 1, 1999, the department may is 1481 (4)

1482authorized to negotiate and enter into site rehabilitation

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1483 agreements with applicants at sites with eligible existing 1484 contamination at which a new discharge occurs. The site 1485 rehabilitation agreement must shall include, but is not be 1486 limited to, allocation of the funding responsibilities of the 1487 department and the applicant for cleanup of the qualified site, establishment of a mechanism to guarantee the applicant's 1488 1489 commitment to pay its agreed amount of site rehabilitation as 1490 set forth in the agreement, and establishment of the priority in 1491 which cleanup of the qualified site will occur. Under any such a 1492 negotiated site rehabilitation agreement, the applicant may not 1493 shall be responsible for no more than the cleanup costs that are 1494 attributable to the new discharge. However, the payment of any applicable deductibles, copayments, or other program eligibility 1495 requirements under ss. 376.305, 376.3071, and 376.3072 shall 1496 1497 continue to apply to the existing contamination and must be 1498 accounted for in the negotiated site rehabilitation agreement. The department may is further authorized, pursuant to this 1499 1500 section, to preapprove or conduct additional assessment 1501 activities at the site.

(9) Site rehabilitation conducted at qualified sites shall
be conducted <u>pursuant to</u> under the provisions of ss.
376.3071(5)(b) and <u>(6)</u> <del>376.30711</del>. If the terms of the agreement
are not fulfilled by the applicant, the applicant forfeits <u>the</u>
any right to continued funding for any site rehabilitation work
under the agreement and <u>is shall be</u> subject to enforcement
action by the department or local government to compel cleanup

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1509 of the new discharge.

1510 Section 8. Subsection (2) of section 376.3072, Florida 1511 Statutes, is amended to read:

1512 376.3072 Florida Petroleum Liability and Restoration 1513 Insurance Program.-

1514 (2)(a) <u>An Any</u> owner or operator of a petroleum storage 1515 system may become an insured in the restoration insurance 1516 program at a facility <u>if</u> provided:

1517 A site at which an incident has occurred is shall be 1. 1518 eligible for restoration if the insured is a participant in the 1519 third-party liability insurance program or otherwise meets 1520 applicable financial responsibility requirements. After July 1, 1521 1993, the insured must also provide the required excess 1522 insurance coverage or self-insurance for restoration to achieve 1523 the financial responsibility requirements of 40 C.F.R. s. 1524 280.97, subpart H, not covered by paragraph (d).

1525 2. A site which had a discharge reported before prior to 1526 January 1, 1989, for which notice was given pursuant to s. 1527 376.3071(10) <del>376.3071(9) or (12),</del> and which is ineligible for 1528 the third-party liability insurance program solely due to that 1529 discharge is shall be eligible for participation in the restoration program for an any incident occurring on or after 1530 1531 January 1, 1989, pursuant to in accordance with subsection (3). 1532 Restoration funding for an eligible contaminated site will be 1533 provided without participation in the third-party liability 1534 insurance program until the site is restored as required by the

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1535 department or until the department determines that the site does 1536 not require restoration.

1537 Notwithstanding paragraph (b), a site where an 3. 1538 application is filed with the department before prior to January 1539 1, 1995, where the owner is a small business under s. 1540 288.703(6), a state community college with less than 2,500 FTE, 1541 a religious institution as defined by s. 212.08(7)(m), a 1542 charitable institution as defined by s. 212.08(7)(p), or a 1543 county or municipality with a population of less than 50,000, is shall be eligible for up to \$400,000 of eligible restoration 1544 1545 costs, less a deductible of \$10,000 for small businesses, eligible community colleges, and religious or charitable 1546 institutions, and \$30,000 for eligible counties and 1547 1548 municipalities, if provided that:

a. Except as provided in sub-subparagraph e., the facility
was in compliance with department rules at the time of the
discharge.

b. The owner or operator has, upon discovery of a
discharge, promptly reported the discharge to the department,
and drained and removed the system from service, if necessary.

1555c. The owner or operator has not intentionally caused or1556concealed a discharge or disabled leak detection equipment.

1557d. The owner or operator proceeds to complete initial1558remedial action as specified in defined by department rules.

e. The owner or operator, if required and if it has notalready done so, applies for third-party liability coverage for

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1561 the facility within 30 days <u>after</u> <del>of</del> receipt of an eligibility 1562 order issued by the department pursuant to this <u>subparagraph</u> 1563 <del>provision</del>.

However, the department may consider in-kind services from eligible counties and municipalities in lieu of the \$30,000 deductible. The cost of conducting initial remedial action as defined by department rules <u>is shall be</u> an eligible restoration cost pursuant to this <u>subparagraph</u> provision.

1570 By January 1, 1997, facilities at sites with existing 4.a. 1571 contamination must shall be required to have methods of release detection to be eligible for restoration insurance coverage for 1572 1573 new discharges subject to department rules for secondary 1574 containment. Annual storage system testing, in conjunction with 1575 inventory control, shall be considered to be a method of release 1576 detection until the later of December 22, 1998, or 10 years 1577 after the date of installation or the last upgrade. Other 1578 methods of release detection for storage tanks which meet such 1579 requirement are:

1580 (I) Interstitial monitoring of tank and integral piping 1581 secondary containment systems;

1582

1564

(II) Automatic tank gauging systems; or

1583 (III) A statistical inventory reconciliation system with a 1584 tank test every 3 years.

1585 b. For pressurized integral piping systems, the owner or 1586 operator must use:

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1587 An automatic in-line leak detector with flow (I)1588 restriction meeting the requirements of department rules used in 1589 conjunction with an annual tightness or pressure test; or 1590 (II)An automatic in-line leak detector with electronic 1591 flow shut-off meeting the requirements of department rules. 1592 For suction integral piping systems, the owner or с. 1593 operator must use: 1594 A single check valve installed directly below the (I)1595 suction pump if, provided there are no other valves between the 1596 dispenser and the tank; or 1597 (II)An annual tightness test or other approved test. 1598 Owners of facilities with existing contamination that d. 1599 install internal release detection systems pursuant to in 1600 accordance with sub-subparagraph a. shall permanently close 1601 their external groundwater and vapor monitoring wells pursuant 1602 to in accordance with department rules by December 31, 1998. 1603 Upon installation of the internal release detection system, such 1604 these wells must shall be secured and taken out of service until 1605 permanent closure. 1606 e. Facilities with vapor levels of contamination meeting 1607 the requirements of or below the concentrations specified in the 1608 performance standards for release detection methods specified in 1609 department rules may continue to use vapor monitoring wells for

1610 release detection.

1611 f. The department may approve other methods of release 1612 detection for storage tanks and integral piping which have at

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1613 least the same capability to detect a new release as the methods
1614 specified in this subparagraph.

1615 To be eligible to be certified as an insured (b)1. 1616 facility, for discharges reported after January 1, 1989, the 1617 owner or operator must shall file an affidavit upon enrollment 1618 in the program. The affidavit must shall state that the owner or 1619 operator has read and is familiar with this chapter and the 1620 rules relating to petroleum storage systems and petroleum 1621 contamination site cleanup adopted pursuant to ss. 376.303 and 376.3071 and that the facility is in compliance with this 1622 chapter and applicable rules adopted pursuant to s. 376.303. 1623 1624 Thereafter, the facility's annual inspection report shall serve 1625 as evidence of the facility's compliance with department rules. 1626 The facility's certificate as an insured facility may be revoked 1627 only if the insured fails to correct a violation identified in 1628 an inspection report before a discharge occurs. The facility's 1629 certification may be restored when the violation is corrected as 1630 verified by a reinspection.

2. Except as provided in paragraph (a), to be eligible to be certified as an insured facility, the applicant must demonstrate to the department that the applicant has financial responsibility for third-party claims and excess coverage, as required by this section and 40 C.F.R. s. 280.97(h), and that the applicant maintains such insurance during the applicant's participation as an insured facility.

1638

 Should a reinspection of the facility be necessary to Page 63 of 71

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1639 demonstrate compliance, the insured shall pay an inspection fee 1640 not to exceed \$500 per facility to be deposited in the Inland 1641 Protection Trust Fund.

1642 4. Upon report of a discharge, the department shall issue 1643 an order stating that the site is eligible for restoration 1644 coverage unless the insured has intentionally caused or 1645 concealed a discharge or disabled leak detection equipment, has 1646 misrepresented facts in the affidavit filed pursuant to 1647 subparagraph 1., or cannot demonstrate that he or she has 1648 obtained and maintained the financial responsibility for third-1649 party claims and excess coverage as required in subparagraph 2. 1650

1651 <u>This paragraph does not Nothing contained herein shall</u> prevent 1652 the department from assessing civil penalties for noncompliance 1653 <u>pursuant to this subsection</u> as provided herein.

1654 A lender that has loaned money to a participant in the (C) 1655 Florida Petroleum Liability and Restoration Insurance Program 1656 and has held a mortgage lien, security interest, or any lien 1657 rights on the site primarily to protect the lender's right to 1658 convert or liquidate the collateral in satisfaction of the debt 1659 secured, or a financial institution which serves as a trustee for an insured in the program for the purpose of site 1660 1661 rehabilitation, is shall be eligible for a state-funded cleanup 1662 of the site  $\tau$  if the lender forecloses the lien or accepts a deed 1663 in lieu of foreclosure on that property and acquires title, and as long as the following has occurred, as applicable: 1664

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1665 1. The owner or operator provided the lender with proof 1666 that the facility is eligible for the restoration insurance 1667 program at the time of the loan or before the discharge 1668 occurred.

1669 2. The financial institution or lender completes site 1670 rehabilitation and seeks reimbursement pursuant to s. 1671 <u>376.3071(12) or conducts preapproved</u> site rehabilitation 1672 pursuant to s. <u>376.3071</u> <u>376.30711</u>, as appropriate.

3. The financial institution or lender did not engage in management activities at the site <u>before</u> prior to foreclosure and does not operate the site or otherwise engage in management activities after foreclosure, except to comply with environmental statutes or rules or to prevent, abate, or remediate a discharge.

(d)1. With respect to eligible incidents reported to the department <u>before</u> prior to July 1, 1992, the restoration insurance program shall provide up to \$1.2 million of restoration for each incident and shall have an annual aggregate limit of \$2 million of restoration per facility.

1684 2. For any site at which a discharge is reported on or 1685 after July 1, 1992, and for which restoration coverage is 1686 requested, the department shall pay for restoration in 1687 accordance with the following schedule:

a. For discharges reported to the department from July 1,
1689 1992, to June 30, 1993, the department shall pay up to \$1.2
1690 million of eligible restoration costs, less a \$1,000 deductible

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1691 per incident.

1692 For discharges reported to the department from July 1, b. 1693 1993, to December 31, 1993, the department shall pay up to \$1.2 1694 million of eligible restoration costs, less a \$5,000 deductible 1695 per incident. However, if, before prior to the date the 1696 discharge is reported and by September 1, 1993, the owner or 1697 operator can demonstrate financial responsibility in effect in accordance with 40 C.F.R. s. 280.97, subpart H, for coverage 1698 1699 under sub-subparagraph c., the deductible will be \$500. The \$500 1700 deductible shall apply for a period of 1 year from the effective 1701 date of a policy or other form of financial responsibility 1702 obtained and in effect by September 1, 1993.

1703 c. For discharges reported to the department from January 1704 1, 1994, to December 31, 1996, the department shall pay up to 1705 \$400,000 of eligible restoration costs, less a deductible of 1706 \$10,000.

d. For discharges reported to the department from January 1708 1, 1997, to December 31, 1998, the department shall pay up to \$300,000 of eligible restoration costs, less a deductible of \$10,000.

e. Beginning January 1, 1999, no restoration coverage may
not shall be provided.

1713 f. In addition, a supplemental deductible shall be added 1714 as follows:

(I) A supplemental deductible of \$5,000 if the owner oroperator fails to report a suspected release within 1 working

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1717 day after discovery.

(II) A supplemental deductible of \$10,000 if the owner or operator, within 3 days after discovery of an actual new discharge, fails to take steps to test or empty the storage system and complete such activity within 7 days.

(III) A supplemental deductible of \$25,000 if the owner or operator, after testing or emptying the storage system, fails to proceed within 24 hours thereafter to abate the known source of the discharge or to begin free product removal relating to an actual new discharge and fails to complete abatement within 72 hours, although free product recovery may be ongoing.

(e) The following are not eligible to participate in thePetroleum Liability and Restoration Insurance Program:

1730 1. Sites owned or operated by the Federal Government 1731 during the time the facility was in operation.

1732 2. Sites where the owner or operator has denied the1733 department reasonable site access.

17343. Any third-party claims relating to damages caused by1735discharges discovered before prior toJanuary 1, 1989.

4. Any incidents discovered <u>before</u> prior to January 1,
1737 1989, are not eligible to participate in the restoration
insurance program. However, this exclusion <u>does</u> shall not be
construed to prevent a new incident at the same location from
participation in the restoration insurance program if the owner
or operator is otherwise eligible. This exclusion <u>does</u> shall not
affect eligibility for participation in the Early Detection

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1743 Incentive EDI Program.

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Sites meeting the criteria of this subsection for which a site 1745 1746 rehabilitation completion order was issued before prior to June 1747 1, 2008, do not qualify for the 2008 increase in site 1748 rehabilitation funding assistance and are bound by the pre-June 1749 1, 2008, limits. Sites meeting the criteria of this subsection 1750 for which a site rehabilitation completion order was not issued 1751 before prior to June 1, 2008, regardless of whether or not they 1752 have previously transitioned to nonstate-funded cleanup status, 1753 may continue state-funded cleanup pursuant to s. 376.3071(6) 1754 376.30711 until a site rehabilitation completion order is issued 1755 or the increased site rehabilitation funding assistance limit is 1756 reached, whichever occurs first. At no time shall expenses 1757 incurred outside the preapproved site rehabilitation program 1758 under s. 376.30711 be reimbursable.

1759 Section 9. Subsections (1) and (4) of section 376.3073, 1760 Florida Statutes, are amended to read:

1761 376.3073 Local programs and state agency programs for 1762 control of contamination.—

(1) The department shall, to the greatest extent possible and cost-effective, contract with local governments to provide for the administration of its departmental responsibilities under ss. 376.305, 376.3071(4)(a)-(e), (h), (k), and (m) and (6) (1), (n), 376.30711, 376.3072, and 376.3077 through locally administered programs. The department may also contract with

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1769 state agencies to carry out the restoration activities 1770 authorized pursuant to ss. 376.3071, 376.3072, and 376.305, and 1771 376.30711. However, no such a contract may not shall be entered 1772 into unless the local government or state agency is deemed 1773 capable of carrying out such responsibilities to the 1774 department's satisfaction.

(4) Under no circumstances shall the cleanup criteria employed in locally administered programs or state agency programs or pursuant to local ordinance be more stringent than the criteria established by the department pursuant to s. 376.3071(5) or (6) <del>s. 376.30711</del>.

1780 Section 10. Subsections (4) and (5) of section 376.3075, 1781 Florida Statutes, are amended to read:

1782

376.3075 Inland Protection Financing Corporation.-

1783 The corporation may enter into one or more service (4) 1784 contracts with the department to provide services to the department in connection with financing the functions and 1785 1786 activities provided in ss. 376.30-376.317. The department may enter into one or more such service contracts with the 1787 1788 corporation and provide for payments under such contracts 1789 pursuant to s. 376.3071(4)(n) <del>376.3071(4)(o)</del>, subject to annual 1790 appropriation by the Legislature. The proceeds from such service 1791 contracts may be used for the corporation's administrative costs 1792 and expenses after payments as set forth in subsection (5). Each service contract may have a term of up to 20 years. Amounts 1793 1794 annually appropriated and applied to make payments under such

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1795 service contracts may not include any funds derived from 1796 penalties or other payments received from any property owner or 1797 private party, including payments received under s. 1798 376.3071(7)(b) <del>376.3071(6)(b)</del>. In compliance with s. 287.0641 1799 and other applicable provisions of law, the obligations of the 1800 department under such service contracts do not constitute a 1801 general obligation of the state or a pledge of the faith and 1802 credit or taxing power of the state and nor may such obligations 1803 are not be construed in any manner as an obligation of the State Board of Administration or entities for which it invests funds, 1804 1805 other than the department as provided in this section, but are payable solely from amounts available in the Inland Protection 1806 1807 Trust Fund, subject to annual appropriation. In compliance with 1808 this subsection and s. 287.0582, the service contract must 1809 expressly include the following statement: "The State of 1810 Florida's performance and obligation to pay under this contract is contingent upon an annual appropriation by the Legislature." 1811

1812 The corporation may issue and incur notes, bonds, (5)1813 certificates of indebtedness, or other obligations or evidences 1814 of indebtedness payable from and secured by amounts payable to 1815 the corporation by the department under a service contract 1816 entered into pursuant to subsection (4) for the purpose of financing the rehabilitation of petroleum contamination sites 1817 1818 pursuant to ss. 376.30-376.317. The term of any such note, bond, certificate of indebtedness, or other obligation or evidence of 1819 indebtedness may not have a financing term that exceeds 15 1820

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1821 years. The corporation may select its financing team and issue 1822 its obligations through competitive bidding or negotiated 1823 contracts, whichever is most cost-effective. Any Indebtedness of 1824 the corporation does not constitute a debt or obligation of the 1825 state or a pledge of the faith and credit or taxing power of the 1826 state, but is payable from and secured by payments made by the 1827 department under the service contract pursuant to s. 1828 376.3071(4)(n) <del>376.3071(4)(o)</del>.

1829

Section 11. This act shall take effect July 1, 2014.

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