

Public Act 096-0908

SB3320 Enrolled

LRB096 19895 JDS 35355 b

AN ACT concerning safety.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Environmental Protection Act is amended by changing Sections 57.7, 57.9, 57.11, and 57.13 and by adding Sections 57.18 and 57.19 as follows:

(415 ILCS 5/57.7)

Sec. 57.7. Leaking underground storage tanks; site investigation and corrective action.

(a) Site investigation.

(1) For any site investigation activities required by statute or rule, the owner or operator shall submit to the Agency for approval a site investigation plan designed to determine the nature, concentration, direction of movement, rate of movement, and extent of the contamination as well as the significant physical features of the site and surrounding area that may affect contaminant transport and risk to human health and safety and the environment.

(2) Any owner or operator intending to seek payment from the Fund shall submit to the Agency for approval a site investigation budget that includes, but is not limited to, an accounting of all costs associated with the implementation and completion of the site investigation

plan.

(3) Remediation objectives for the applicable indicator contaminants shall be determined using the tiered approach to corrective action objectives rules adopted by the Board pursuant to this Title and Title XVII of this Act. For the purposes of this Title, "Contaminant of Concern" or "Regulated Substance of Concern" in the rules means the applicable indicator contaminants set forth in subsection (d) of this Section and the rules adopted thereunder.

(4) Upon the Agency's approval of a site investigation plan, or as otherwise directed by the Agency, the owner or operator shall conduct a site investigation in accordance with the plan.

(5) Within 30 days after completing the site investigation, the owner or operator shall submit to the Agency for approval a site investigation completion report. At a minimum the report shall include all of the following:

- (A) Executive summary.
- (B) Site history.
- (C) Site-specific sampling methods and results.
- (D) Documentation of all field activities, including quality assurance.
- (E) Documentation regarding the development of proposed remediation objectives.

(F) Interpretation of results.

(G) Conclusions.

(b) Corrective action.

(1) If the site investigation confirms none of the applicable indicator contaminants exceed the proposed remediation objectives, within 30 days after completing the site investigation the owner or operator shall submit to the Agency for approval a corrective action completion report in accordance with this Section.

(2) If any of the applicable indicator contaminants exceed the remediation objectives approved for the site, within 30 days after the Agency approves the site investigation completion report the owner or operator shall submit to the Agency for approval a corrective action plan designed to mitigate any threat to human health, human safety, or the environment resulting from the underground storage tank release. The plan shall describe the selected remedy and evaluate its ability and effectiveness to achieve the remediation objectives approved for the site. At a minimum, the report shall include all of the following:

(A) Executive summary.

(B) Statement of remediation objectives.

(C) Remedial technologies selected.

(D) Confirmation sampling plan.

(E) Current and projected future use of the

property.

(F) Applicable preventive, engineering, and institutional controls including long-term reliability, operating, and maintenance plans, and monitoring procedures.

(G) A schedule for implementation and completion of the plan.

(3) Any owner or operator intending to seek payment from the Fund shall submit to the Agency for approval a corrective action budget that includes, but is not limited to, an accounting of all costs associated with the implementation and completion of the corrective action plan.

(4) Upon the Agency's approval of a corrective action plan, or as otherwise directed by the Agency, the owner or operator shall proceed with corrective action in accordance with the plan.

(5) Within 30 days after the completion of a corrective action plan that achieves applicable remediation objectives the owner or operator shall submit to the Agency for approval a corrective action completion report. The report shall demonstrate whether corrective action was completed in accordance with the approved corrective action plan and whether the remediation objectives approved for the site, as well as any other requirements of the plan, have been achieved.

(6) If within 4 years after the approval of any corrective action plan the applicable remediation objectives have not been achieved and the owner or operator has not submitted a corrective action completion report, the owner or operator must submit a status report for Agency review. The status report must include, but is not limited to, a description of the remediation activities taken to date, the effectiveness of the method of remediation being used, the likelihood of meeting the applicable remediation objectives using the current method of remediation, and the date the applicable remediation objectives are expected to be achieved.

(7) If the Agency determines any approved corrective action plan will not achieve applicable remediation objectives within a reasonable time, based upon the method of remediation and site specific circumstances, the Agency may require the owner or operator to submit to the Agency for approval a revised corrective action plan. If the owner or operator intends to seek payment from the Fund, the owner or operator must also submit a revised budget.

(c) Agency review and approval.

(1) Agency approval of any plan and associated budget, as described in this subsection (c), shall be considered final approval for purposes of seeking and obtaining payment from the Underground Storage Tank Fund if the costs associated with the completion of any such plan are less

than or equal to the amounts approved in such budget.

(2) In the event the Agency fails to approve, disapprove, or modify any plan or report submitted pursuant to this Title in writing within 120 days of the receipt by the Agency, the plan or report shall be considered to be rejected by operation of law for purposes of this Title and rejected for purposes of payment from the Underground Storage Tank Fund.

(A) For purposes of those plans as identified in paragraph (5) of this subsection (c), the Agency's review may be an audit procedure. Such review or audit shall be consistent with the procedure for such review or audit as promulgated by the Board under Section 57.14. The Agency has the authority to establish an auditing program to verify compliance of such plans with the provisions of this Title.

(B) For purposes of corrective action plans submitted pursuant to subsection (b) of this Section for which payment from the Fund is not being sought, the Agency need not take action on such plan until 120 days after it receives the corrective action completion report required under subsection (b) of this Section. In the event the Agency approved the plan, it shall proceed under the provisions of this subsection (c).

(3) In approving any plan submitted pursuant to

subsection (a) or (b) of this Section, the Agency shall determine, by a procedure promulgated by the Board under Section 57.14, that the costs associated with the plan are reasonable, will be incurred in the performance of site investigation or corrective action, and will not be used for site investigation or corrective action activities in excess of those required to meet the minimum requirements of this Title.

(A) For purposes of payment from the Fund, corrective action activities required to meet the minimum requirements of this Title shall include, but not be limited to, the following use of the Board's Tiered Approach to Corrective Action Objectives rules adopted under Title XVII of this Act:

(i) For the site where the release occurred, the use of Tier 2 remediation objectives that are no more stringent than Tier 1 remediation objectives.

(ii) The use of industrial/commercial property remediation objectives, unless the owner or operator demonstrates that the property being remediated is residential property or being developed into residential property.

(iii) The use of groundwater ordinances as institutional controls in accordance with Board rules.

(iv) The use of on-site groundwater use restrictions as institutional controls in accordance with Board rules.

(B) Any bidding process adopted under Board rules to determine the reasonableness of costs of corrective action must provide for a publicly-noticed, competitive, and sealed bidding process that includes, at a minimum, the following:

(i) The owner or operator must issue invitations for bids that include, at a minimum, a description of the work being bid and applicable contractual terms and conditions. The criteria on which the bids will be evaluated must be set forth in the invitation for bids. The criteria may include, but shall not be limited to, criteria for determining acceptability, such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Criteria that will affect the bid price and be considered in the evaluation of a bid, such as discounts, shall be objectively measurable.

(ii) At least 14 days prior to the date set in the invitation for the opening of bids, public notice of the invitation for bids must be published in a local paper of general circulation for the area in which the site is located.

(iii) Bids must be opened publicly in the presence of one or more witnesses at the time and place designated in the invitation for bids. The name of each bidder, the amount of each bid, and other relevant information as specified in Board rules must be recorded and submitted to the Agency in the applicable budget. After selection of the winning bid, the winning bid and the record of each unsuccessful bid shall be open to public inspection.

(iv) Bids must be unconditionally accepted without alteration or correction. Bids must be evaluated based on the requirements set forth in the invitation for bids, which may include criteria for determining acceptability, such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Criteria that will affect the bid price and be considered in the evaluation of a bid, such as discounts, shall be objectively measurable. The invitation for bids shall set forth the evaluation criteria to be used.

(v) Correction or withdrawal of inadvertently erroneous bids before or after selection of the winning bid, or cancellation of winning bids based on bid mistakes, shall be allowed in accordance

with Board rules. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the owner or operator or fair competition shall be allowed. All decisions to allow the correction or withdrawal of bids based on bid mistakes shall be supported by a written determination made by the owner or operator.

(vi) The owner or operator shall select the winning bid with reasonable promptness by written notice to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the invitation for bids. The winning bid and other relevant information as specified in Board rules must be recorded and submitted to the Agency in the applicable budget.

(vii) All bidding documentation must be retained by the owner or operator for a minimum of 3 years after the costs bid are submitted in an application for payment, except that documentation relating to an appeal, litigation, or other disputed claim must be maintained until at least 3 years after the date of the final disposition of the appeal, litigation, or other disputed claim. All bidding documentation must be made available to the Agency for inspection and copying during normal business hours.

(C) Any bidding process adopted under Board rules to determine the reasonableness of costs of corrective action shall (i) be optional and (ii) allow bidding only if the owner or operator demonstrates that corrective action cannot be performed for amounts less than or equal to maximum payment amounts adopted by the Board.

(4) For any plan or report received after June 24, 2002, any action by the Agency to disapprove or modify a plan submitted pursuant to this Title shall be provided to the owner or operator in writing within 120 days of the receipt by the Agency or, in the case of a site investigation plan or corrective action plan for which payment is not being sought, within 120 days of receipt of the site investigation completion report or corrective action completion report, respectively, and shall be accompanied by:

(A) an explanation of the Sections of this Act which may be violated if the plans were approved;

(B) an explanation of the provisions of the regulations, promulgated under this Act, which may be violated if the plan were approved;

(C) an explanation of the specific type of information, if any, which the Agency deems the applicant did not provide the Agency; and

(D) a statement of specific reasons why the Act and

the regulations might not be met if the plan were approved.

Any action by the Agency to disapprove or modify a plan or report or the rejection of any plan or report by operation of law shall be subject to appeal to the Board in accordance with the procedures of Section 40. If the owner or operator elects to incorporate modifications required by the Agency rather than appeal, an amended plan shall be submitted to the Agency within 35 days of receipt of the Agency's written notification.

(5) For purposes of this Title, the term "plan" shall include:

(A) Any site investigation plan submitted pursuant to subsection (a) of this Section;

(B) Any site investigation budget submitted pursuant to subsection (a) of this Section;

(C) Any corrective action plan submitted pursuant to subsection (b) of this Section; or

(D) Any corrective action plan budget submitted pursuant to subsection (b) of this Section.

(d) For purposes of this Title, the term "indicator contaminant" shall mean, unless and until the Board promulgates regulations to the contrary, the following: (i) if an underground storage tank contains gasoline, the indicator parameter shall be BTEX and Benzene; (ii) if the tank contained petroleum products consisting of middle distillate or heavy

ends, then the indicator parameter shall be determined by a scan of PNA's taken from the location where contamination is most likely to be present; and (iii) if the tank contained used oil, then the indicator contaminant shall be those chemical constituents which indicate the type of petroleum stored in an underground storage tank. All references in this Title to groundwater objectives shall mean Class I groundwater standards or objectives as applicable.

(e) (1) Notwithstanding the provisions of this Section, an owner or operator may proceed to conduct site investigation or corrective action prior to the submittal or approval of an otherwise required plan. If the owner or operator elects to so proceed, an applicable plan shall be filed with the Agency at any time. Such plan shall detail the steps taken to determine the type of site investigation or corrective action which was necessary at the site along with the site investigation or corrective action taken or to be taken, in addition to costs associated with activities to date and anticipated costs.

(2) Upon receipt of a plan submitted after activities have commenced at a site, the Agency shall proceed to review in the same manner as required under this Title. In the event the Agency disapproves all or part of the costs, the owner or operator may appeal such decision to the Board. The owner or operator shall not be eligible to be reimbursed for such disapproved costs unless and until the

Board determines that such costs were eligible for payment.

(f) All investigations, plans, and reports conducted or prepared under this Section shall be conducted or prepared under the supervision of a licensed professional engineer and in accordance with the requirements of this Title.

(Source: P.A. 95-331, eff. 8-21-07.)

(415 ILCS 5/57.9)

Sec. 57.9. Underground Storage Tank Fund; eligibility and deductibility.

(a) The Underground Storage Tank Fund shall be accessible by owners and operators who have a confirmed release from an underground storage tank or related tank system of a substance listed in this Section. The owner or operator is eligible to access the Underground Storage Tank Fund if the eligibility requirements of this Title are satisfied and:

(1) Neither the owner nor the operator is the United States Government.

(2) The tank does not contain fuel which is exempt from the Motor Fuel Tax Law.

(3) The costs were incurred as a result of a confirmed release of any of the following substances:

(A) "Fuel", as defined in Section 1.19 of the Motor Fuel Tax Law.

(B) Aviation fuel.

(C) Heating oil.

(D) Kerosene.

(E) Used oil which has been refined from crude oil used in a motor vehicle, as defined in Section 1.3 of the Motor Fuel Tax Law.

(4) The owner or operator registered the tank and paid all fees in accordance with the statutory and regulatory requirements of the Gasoline Storage Act.

(5) The owner or operator notified the Illinois Emergency Management Agency of a confirmed release, the costs were incurred after the notification and the costs were a result of a release of a substance listed in this Section. Costs of corrective action or indemnification incurred before providing that notification shall not be eligible for payment.

(6) The costs have not already been paid to the owner or operator under a private insurance policy, other written agreement, or court order.

(7) The costs were associated with "corrective action" of this Act.

If the underground storage tank which experienced a release of a substance listed in this Section was installed after July 28, 1989, the owner or operator is eligible to access the Underground Storage Tank Fund if it is demonstrated to the Office of the State Fire Marshal the tank was installed and operated in accordance with Office of the State Fire Marshal regulatory requirements. Office

of the State Fire Marshal certification is prima facie evidence the tank was installed pursuant to the Office of the State Fire Marshal regulatory requirements.

(b) For releases reported prior to the effective date of this amendatory Act of the 96th General Assembly, an ~~An~~ owner or operator may access the Underground Storage Tank Fund for costs associated with an Agency approved plan and the Agency shall approve the payment of costs associated with corrective action after the application of a \$10,000 deductible, except in the following situations:

(1) A deductible of \$100,000 shall apply when none of the underground storage tanks were registered prior to July 28, 1989, except in the case of underground storage tanks used exclusively to store heating oil for consumptive use on the premises where stored and which serve other than farms or residential units, a deductible of \$100,000 shall apply when none of these tanks were registered prior to July 1, 1992.

(2) A deductible of \$50,000 shall apply if any of the underground storage tanks were registered prior to July 28, 1989, and the State received notice of the confirmed release prior to July 28, 1989.

(3) A deductible of \$15,000 shall apply when one or more, but not all, of the underground storage tanks were registered prior to July 28, 1989, and the State received notice of the confirmed release on or after July 28, 1989.

For releases reported on or after the effective date of this amendatory Act of the 96th General Assembly, an owner or operator may access the Underground Storage Tank Fund for costs associated with an Agency approved plan, and the Agency shall approve the payment of costs associated with corrective action after the application of a \$5,000 deductible.

A deductible shall apply annually for each site at which costs were incurred under a claim submitted pursuant to this Title, except that if corrective action in response to an occurrence takes place over a period of more than one year, in subsequent years, no deductible shall apply for costs incurred in response to such occurrence.

(c) Eligibility and deductibility determinations shall be made by the Office of the State Fire Marshal.

(1) When an owner or operator reports a confirmed release of a regulated substance, the Office of the State Fire Marshal shall provide the owner or operator with an "Eligibility and Deductibility Determination" form. The form shall either be provided on-site or within 15 days of the Office of the State Fire Marshal receipt of notice indicating a confirmed release. The form shall request sufficient information to enable the Office of the State Fire Marshal to make a final determination as to owner or operator eligibility to access the Underground Storage Tank Fund pursuant to this Title and the appropriate deductible. The form shall be promulgated as a rule or

regulation pursuant to the Illinois Administrative Procedure Act by the Office of the State Fire Marshal. Until such form is promulgated, the Office of State Fire Marshal shall use a form which generally conforms with this Act.

(2) Within 60 days of receipt of the "Eligibility and Deductibility Determination" form, the Office of the State Fire Marshal shall issue one letter enunciating the final eligibility and deductibility determination, and such determination or failure to act within the time prescribed shall be a final decision appealable to the Illinois Pollution Control Board.

(Source: P.A. 88-496.)

(415 ILCS 5/57.11)

Sec. 57.11. Underground Storage Tank Fund; creation.

(a) There is hereby created in the State Treasury a special fund to be known as the Underground Storage Tank Fund. There shall be deposited into the Underground Storage Tank Fund all monies received by the Office of the State Fire Marshal as fees for underground storage tanks under Sections 4 and 5 of the Gasoline Storage Act and as fees pursuant to the Motor Fuel Tax Law. All amounts held in the Underground Storage Tank Fund shall be invested at interest by the State Treasurer. All income earned from the investments shall be deposited into the Underground Storage Tank Fund no less frequently than

quarterly. Moneys in the Underground Storage Tank Fund, pursuant to appropriation, may be used by the Agency and the Office of the State Fire Marshal for the following purposes:

(1) To take action authorized under Section 57.12 to recover costs under Section 57.12.

(2) To assist in the reduction and mitigation of damage caused by leaks from underground storage tanks, including but not limited to, providing alternative water supplies to persons whose drinking water has become contaminated as a result of those leaks.

(3) To be used as a matching amount towards federal assistance relative to the release of petroleum from underground storage tanks.

(4) For the costs of administering activities of the Agency and the Office of the State Fire Marshal relative to the Underground Storage Tank Fund.

(5) For payment of costs of corrective action incurred by and indemnification to operators of underground storage tanks as provided in this Title.

(6) For a total of 2 demonstration projects in amounts in excess of a \$10,000 deductible charge designed to assess the viability of corrective action projects at sites which have experienced contamination from petroleum releases. Such demonstration projects shall be conducted in accordance with the provision of this Title.

(7) Subject to appropriation, moneys in the

Underground Storage Tank Fund may also be used by the Department of Revenue for the costs of administering its activities relative to the Fund and for refunds provided for in Section 13a.8 of the Motor Fuel Tax Act.

(b) Moneys in the Underground Storage Tank Fund may, pursuant to appropriation, be used by the Office of the State Fire Marshal or the Agency to take whatever emergency action is necessary or appropriate to assure that the public health or safety is not threatened whenever there is a release or substantial threat of a release of petroleum from an underground storage tank and for the costs of administering its activities relative to the Underground Storage Tank Fund.

(c) Beginning July 1, 1993, the Governor shall certify to the State Comptroller and State Treasurer the monthly amount necessary to pay debt service on State obligations issued pursuant to Section 6 of the General Obligation Bond Act. On the last day of each month, the Comptroller shall order transferred and the Treasurer shall transfer from the Underground Storage Tank Fund to the General Obligation Bond Retirement and Interest Fund the amount certified by the Governor, plus any cumulative deficiency in those transfers for prior months.

(d) Except as provided in subsection (c) of this Section, the Underground Storage Tank Fund is not subject to administrative charges authorized under Section 8h of the State Finance Act that would in any way transfer any funds from the

Underground Storage Tank Fund into any other fund of the State.

(e) Each fiscal year, subject to appropriation, the Agency may commit up to \$10,000,000 of the moneys in the Underground Storage Tank Fund to the payment of corrective action costs for legacy sites that meet one or more of the following criteria as a result of the underground storage tank release: (i) the presence of free product, (ii) contamination within a regulated recharge area, a wellhead protection area, or the setback zone of a potable water supply well, (iii) contamination extending beyond the boundaries of the site where the release occurred, or (iv) such other criteria as may be adopted in Agency rules.

(1) Fund moneys committed under this subsection (e) shall be held in the Fund for payment of the corrective action costs for which the moneys were committed.

(2) The Agency may adopt rules governing the commitment of Fund moneys under this subsection (e).

(3) This subsection (e) does not limit the use of Fund moneys at legacy sites as otherwise provided under this Title.

(4) For the purposes of this subsection (e), the term "legacy site" means a site for which (i) an underground storage tank release was reported prior to January 1, 2005, (ii) the owner or operator has been determined eligible to receive payment from the Fund for corrective action costs, and (iii) the Agency did not receive any applications for payment prior to January 1, 2010.

(Source: P.A. 96-34, eff. 7-13-09.)

(415 ILCS 5/57:13)

Sec. 57.13. Underground Storage Tank Program; transition. This Title applies to all underground storage tank releases for which a No Further Remediation Letter is issued on or after the effective date of this amendatory Act of the 96th General Assembly, provided that (i) costs incurred prior to the effective date of this amendatory Act shall be payable from the UST Fund in the same manner as allowed under the law in effect at the time the costs were incurred and (ii) releases for which corrective action was completed prior to the effective date of this amendatory Act shall be eligible for a No Further Remediation Letter in the same manner as allowed under the law in effect at the time the corrective action was completed.

~~(a) If a release is reported to the proper State authority on or after June 24, 2002, the owner or operator shall comply with the requirements of this Title.~~

~~(b) If a release is reported to the proper State authority prior to June 24, 2002, the owner or operator of an underground storage tank may elect to proceed in accordance with the requirements of this Title by submitting a written statement to the Agency of such election. If the owner or operator elects to proceed under the requirements of this Title all costs incurred in connection with the incident prior to notification shall be reimbursable in the same manner as was allowable under the then~~

~~existing law. Completion of corrective action shall then follow the provisions of this Title.~~

(Source: P.A. 95-331, eff. 8-21-07.)

(415 ILCS 5/57.18 new)

Sec. 57.18. Additional remedial action required by change in law; Agency's duty to propose amendment. If a change in State or federal law requires additional remedial action in response to releases for which No Further Remediation Letters have been issued, the Agency shall propose in the next convening of a regular session of the current General Assembly amendments to this Title to allow owners and operators to perform the additional remedial action and seek payment from the Fund for the costs of the action.

(415 ILCS 5/57.19 new)

Sec. 57.19. Costs incurred after the issuance of a No Further Remediation Letter. The following shall be considered corrective action activities eligible for payment from the Fund even when an owner or operator conducts these activities after the issuance of a No Further Remediation Letter. Corrective action conducted under this Section and costs incurred under this Section must comply with the requirements of this Title and Board rules adopted under this Title.

(1) Corrective action to achieve residential property remediation objectives if the owner or operator

demonstrates that property remediated to industrial/commercial property remediation objectives pursuant to subdivision (c) (3) (A) (ii) of Section 57.7 of this Act is being developed into residential property.

(2) Corrective action to address groundwater contamination if the owner or operator demonstrates that action is necessary because a groundwater ordinance used as an institutional control pursuant to subdivision (c) (3) (A) (iii) of Section 57.7 of this Act can no longer be used as an institutional control.

(3) Corrective action to address groundwater contamination if the owner or operator demonstrates that action is necessary because an on-site groundwater use restriction used as an institutional control pursuant to subdivision (c) (3) (A) (iv) of Section 57.7 of this Act must be lifted in order to allow the installation of a potable water supply well due to public water supply service no longer being available for reasons other than an act or omission of the owner or operator.

(4) The disposal of soil that does not exceed industrial/commercial property remediation objectives, but that does exceed residential property remediation objectives, if industrial/commercial property remediation objectives were used pursuant to subdivision (c) (3) (A) (ii) of Section 57.7 of this Act and the owner or operator demonstrates that (i) the contamination is the result of

the release for which the owner or operator is eligible to seek payment from the Fund and (ii) disposal of the soil is necessary as a result of construction activities conducted after the issuance of a No Further Remediation Letter on the site where the release occurred, including, but not limited to, the following: tank, line, or canopy repair, replacement, or removal; building upgrades; sign installation; and water or sewer line replacement.

(5) The disposal of water exceeding groundwater remediation objectives that is removed from an excavation on the site where the release occurred if a groundwater ordinance is used as an institutional control pursuant to subdivision (c) (3) (A) (iii) of Section 57.7 of this Act, or if an on-site groundwater use restriction is used as an institutional control pursuant to subdivision (c) (3) (A) (iv) of Section 57.7, and the owner or operator demonstrates that (i) the excavation is located within the measured or modeled extent of groundwater contamination resulting from the release for which the owner or operator is eligible to seek payment from the Fund and (ii) disposal of the groundwater is necessary as a result of construction activities conducted after the issuance of a No Further Remediation Letter on the site where the release occurred, including, but not limited to, the following: tank, line, or canopy repair, replacement, or removal; building upgrades; sign installation; and water or sewer line

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replacement.

Section 99. Effective date. This Act takes effect upon becoming law.