

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2015-2016

Bill Number: H.531 Name of Bill: AST Inspections Bill

Agency/ Dept: ANR/DEC Author of Bill Review: Matt Moran

Date of Bill Review: 1/12/2015 Related Bills and Key Players: H.363 (introduced 3/10/15); Vermont Fuel Dealers Association, licensed fuel dealers, VermontRealtors and licensed real estate brokers

Status of Bill: (check one): Upon Introduction As passed by 1st body As passed by both

Recommended Position:

Support Oppose Remain Neutral Support with modifications identified in #8 below

Analysis of Bill

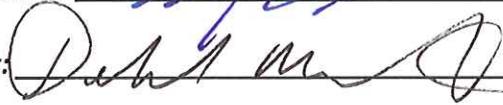
1. **Summary of bill and issue it addresses.** *Describe what the bill is intended to accomplish and why.* Require fuel suppliers to inspect aboveground storage tanks every 3 yrs or before first fill, and have inspector certified under the VT Fire & Bldg Code. Also adopt grant program changes that passed house last session (as H.363).
2. **Is there a need for this bill?** *Please explain why or why not.* Yes. We need an inspection requirement to begin bringing tanks into compliance with AST Rules to help minimize releases and pressure on PCF heating oil account. We also lack ability to meet grant program demand.
3. **What are likely to be the fiscal and programmatic implications of this bill for this Department?**
Bill helps limit smaller heating oil releases that divert staff capacity from other priorities and reduces longer term fiscal stress on the PCF heating oil account. Grant changes are helpful, but there's minimal impact as spending is discretionary.
4. **What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?** Division of Fire Safety does not support certifying leak prevention inspections in their fire code, and would prefer we revise AST rule to include this. WMPD supports this change to the bill.
5. **What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it?** *(for example, public, municipalities, organizations, business, regulated entities, etc)*
Key heating fuel representatives support inspections, but every 5 yrs not 3yrs. Still, some suppliers may oppose. Industry opposes requiring drip pans and inspector certification in fire code as drafted. They favor new certification level.
6. **Other Stakeholders:**
 - 6.1 **Who else is likely to support the proposal and why?** Realtor industry could go either way depending on whether perceived as new tax/fee on VT property owners. As bill is currently drafted, it puts onus on fuel industry and they believe it's minor cost of business when dovetailed with heating device work

Please return this bill review as a Microsoft Word document to laura.gray@state.vt.us and jessica.mishaan@state.vt.us

6.2 Who else is likely to oppose the proposal and why?

- 7. **Rationale for recommendation:** *Justify recommendation stated above.* In 2015, there were 86 AST releases (nearly all preventable), and PCF heating oil AST cleanup expenditures for FY15 totalled \$700K. Trends are unsustainable and will put heating oil account in the red. There are also significant human & env. impacts.
- 8. **Specific modifications that would be needed to recommend support of this bill:** *Not meant to rewrite bill, but rather, an opportunity to identify simple modifications that would change recommended position.* Inspections every 5 years not 3 years is sufficient; We support inspector certification in AST rule as part of required rule rewrite. Bill needs clearer ANR enforcement authority for inspections. WMPD and industry support grant changes as submitted.
- 9. **Gubernatorial appointments to board or commission?** There currently exists a PCF Advisory Committee with various stakeholder representatives.

Commissioner has reviewed this document:  Date: 1-13-15

Secretary has reviewed this document:  Date: 1-13-15