H.B. NO. 3084

A Bill for an Act Relating to Underground Storage Tanks.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 342L, Hawaii Revised Statutes, is amended by adding three new sections to be appropriately designated and to read as follows:

"§342L- Record maintenance. The department, pursuant to chapter 91, shall adopt requirements for the establishment and maintenance of records relating to underground storage tanks and tank systems.

**§342L-** Intervention. Any person may intervene in any civil action to enforce this chapter if the person has an interest that is, or may be, adversely affected.

**§342L-** Directory of underground storage tank service providers. (a) The director shall develop and maintain a directory of service providers who

are identified in paragraph (c). Information submitted by service providers shall be made readily available to owners and operators of underground storage tanks and tank systems and the public for review and inspection upon request.

(b) The directory shall consist of service providers who are:

- (1) Individuals, engaged in types of services in paragraph (c), having signatory authority and responsibilities; and
- (2) Persons, representing firms engaged in types of services in paragraph (c), who have signatory authority and responsibilities.
- (c) Categories of service providers include the following:
- (1) Installation of underground storage tanks or tank systems;
- (2) Retrofitting underground storage tanks or tank systems for corrosion protection, spill and overfill prevention, and release detection;
- (3) Operating and maintaining corrosion protection systems;
- (4) Repairing underground storage tanks and tank systems;
- (5) Testing and monitoring underground storage tanks and tank systems for releases of petroleum and hazardous substances;
- (6) Assessment of an underground storage tank site for the nature and extent of contamination of soil and waters by released substances;
- (7) Procurement of product, soil, and water samples;
- (8) Preparation and analysis of product, soil, and water samples;
- (9) Procurement of field measurements to screen for and characterize contaminants;
- (10) Abatement and remediation of contaminants at the site to levels protective of human health and the environment;
- (11) Cleaning of underground storage tanks or tank systems;
- (12) Excavating and removing underground storage tanks or tank systems, and contaminated soils and debris;
- (13) Transporting underground storage tanks or tank systems, contaminated soils and debris; and
- (14) Treatment, storage, and disposal of uncleaned underground storage tanks or tank systems, contaminated soils and debris.

(d) Effective on the date of approval of this Act, service providers wishing to be listed in the directory may submit to the director, at a minimum, the following types of information:

- (1) Full name of the individual or person in a firm with signatory authority and responsibilities;
- (2) Current job title and description of responsibilities;
- (3) Name of the firm or company currently employing the person, if applicable;
- (4) Identification of the specific category or categories of services provided in paragraph (c) to be provided;
- (5) List the number, types, and qualifications of personnel reporting to the person with signatory authority and responsibility, if any;
- (6) For the individual or person with signatory authority and responsibility, formal education, including specific copies of diplomas from high schools, vocational schools, colleges, and universities;
- (7) For the individual or person with signatory authority and responsibility, registrations and certifications, including copies of registered professional engineering license, plumbers license, tank or tank system installer certification by manufacturer, tank or tank system testing certifications, commercial haulers license, etc. (including registrations and certifications from other states);

- (8) For the individual or person with signatory authority and responsibility, formal training, including description of courses and seminars and certificates of completion thereof;
- (9) For the individual or person with signatory authority and responsibility, related work experience, including type of work, and identification and telephone number(s) of any references;
- (10) For the individual or person with signatory authority and responsibility, memberships and affiliation with professional and work organizations; and
- (11) For the individual or person with signatory authority and responsibility, statement(s) attesting to coverage of financial liability relating to the applicable categories of work in paragraph (c)."

SECTION 2. Section 128D-2, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) There is created an environmental response revolving fund within the department which shall consist of moneys appropriated to the fund by the legislature, moneys paid to the fund as a result of departmental compliance proceedings, moneys paid to the fund pursuant to court-ordered awards or judgments, moneys paid to the fund in court-approved or out-of-court settlements, all interest attributable to investment of money deposited in the fund, and moneys allotted to the fund from other sources; provided that when deposits of fines and penalties pursuant to sections 342B-11.5, 342D-39, 342F-11.5, 342H-10.5, [342L-11.5,] and 342N-9.5 exceed \$3,000,000, that amount of deposited fines and penalties in excess of \$3,000,000 shall be transferred to the general fund."

SECTION 3. Section 342L-1, Hawaii Revised Statutes, is amended:

1. By adding four new definitions to be appropriately inserted and to read as follows:

""Existing underground storage tank" or "existing tank" or "existing underground storage tank system" or "existing tank system" means an underground storage tank or tank system for which installation commenced not later than December 22, 1988. Installation is considered to have commenced if:

- (1) The owner or operator has obtained all federal, state, and county approvals or permits necessary to begin physical construction of the site or installation of the underground storage tank or tank system; and
- (2) Either a continuous onsite physical construction or installation program has begun or the owner or operator has entered into contractual obligations (which cannot be canceled or modified without substantial loss) for physical construction at the site or installation of the underground storage tank or tank system to be completed within a reasonable time.

<u>"Provider of financial assurance" means a person that provides evidence of financial responsibility for one or more underground storage tanks or tank systems.</u>

"Soil remediation site" means designated state-owned land set aside for the purpose of remediating contaminated soils.

"Underground storage tank system" or "tank system" means an underground storage tank, connected underground piping, underground ancillary equipment, and containment system, if any." 2. By amending the definition of "complaint" to read as follows:

"Complaint" means any written charge filed with or by the department that a person is violating <u>or has violated</u> any provision of this chapter or any rule [or order] adopted pursuant to this chapter[.], <u>or a permit, variance, or order</u> <u>issued pursuant to this chapter.</u>"

3. By amending the definition of "owner" to read as follows:

"Owner" means:

- (1) In the case of [an] <u>a particular</u> underground storage tank <u>or tank system</u> in use or brought into use on or after [May 19, 1986,] <u>November 8, 1984</u>, any person who owns an underground storage tank [used for the storage, use, or dispensing of regulated substances;] <u>or tank system</u>; and
- (2) In the case of [an] <u>a particular</u> underground storage tank <u>or tank system</u> in use before [May 19, 1986,] <u>November 8, 1984</u>, but no longer in use after that date, any person who owned such <u>a</u> tank <u>or tank system</u> immediately before the discontinuation of its use."

4. By amending the definition of "permit" to read as follows:

"Permit" means written authorization from the director to install or operate an underground storage tank[.] <u>or tank system</u>. A permit authorizes the owner or operator to install and operate an underground storage tank <u>or tank system</u> in a manner, or to do any act, not forbidden by this chapter or by rules adopted under this chapter, but requiring review by the department."

5. By amending the definition of "person" to read as follows:

"Person" means an individual, trust, estate, firm, joint stock company, corporation (including a government corporation), partnership, association, commission, consortium, joint venture, commercial entity, the State[,] or a [political subdivision of the State,] county, the United States government, federal agency, interstate body, or any other legal entity."

6. By amending the definition of "regulated substance" to read as follows:

""Regulated substance" means <u>an</u> element, compound, mixture, solution, or substance that, when released into the environment, may present substantial danger to [the public] <u>human</u> health, welfare, or the environment. The term includes:

- Any substance defined in section 101(14) of the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (but not including any substance regulated as a hazardous waste under [subtitle] <u>Subtitle</u> C of the <u>federal</u> Resource Conservation and Recovery Act); [or]
- (2) Petroleum; and

(3) Any other substance as designated by the department."

7. By amending the definition of "release" to read as follows:

""Release" includes, but is not limited to, any spilling, leaking, emitting,

discharging, escaping, leaching, or disposing from an underground storage tank [into ground water, surface water, or subsurface soils.] <u>or tank system.</u>"

8. By amending the definition of "underground storage tank" to read as follows:

""Underground storage tank" <u>or "tank"</u> means any one or combination of tanks (including pipes connected thereto) used to contain an accumulation of regulated substances, and the volume of which (including the volume of the underground pipes connected thereto) is ten per cent or more beneath the surface of the ground. [Exemptions from this definition and rules adopted under this chapter include:] <u>This term does not include any:</u>

- (1) Farm or residential tank of one thousand one hundred gallons or less capacity used for storing motor fuel for noncommercial purposes;
- (2) Tank used for storing heating oil for consumptive use on the premises where stored;
- (3) Septic tank;
- (4) Pipeline facility (including gathering lines) regulated under:
  - (Å) The <u>federal</u> Natural Gas Pipeline Safety Act of 1968, Public Law 90-481, as amended; <u>or</u>
  - (B) The <u>federal</u> Hazardous Liquid Pipeline Safety Act of 1979, Public Law 96-129, as amended;
- (5) Surface impoundment, pit, pond, or lagoon;
- (6) Storm water or wastewater collection system;
- (7) Flow-through process tank;
- (8) Liquid trap or associated gathering lines directly related to oil or gas production and gathering operations; and
- (9) Storage tank situated in an underground area (such as a basement, cellar, mineworking, drift, shaft, or tunnel) if the storage tank is situated upon or above the surface of the floor."

9. By amending the definition of "variance" to read as follows:

"Variance" means special written authorization from the director to own, install, or operate an underground storage tank <u>or tank system</u> in a manner deviating [from applicable standards], or to do an act that deviates, from the requirements of rules adopted under this chapter."

10. By deleting the definition of "guarantor".

[""Guarantor" means any person, other than the owner or the operator, who provides evidence of financial responsibility for the underground storage tank."]

SECTION 4. Section 342L-3, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The director may [make,] <u>adopt</u>, amend, and repeal state rules controlling and regulating underground storage tanks[.] <u>and tank systems</u>. All rules shall be adopted pursuant to chapter 91. [Any person heard at the public hearing shall be given written notice of the action taken by the department with respect to the rules.]"

SECTION 5. Section 342L-4, Hawaii Revised Statutes, is amended by amending subsections (c) and (d) to read as follows:

"(c) The director shall issue a permit for any term, not exceeding five years, if the director determines this to be protective of [public] <u>human</u> health and the environment[,]; provided that the permit may be subject to conditions as the director may prescribe. The director, on application, shall renew a permit from time to time for a term not to exceed five years if the director determines this to be protective of [public] <u>human</u> health and the environment. The director shall not deny an application for the issuance or renewal of a permit without affording the applicant an opportunity for a hearing in accordance with chapter 91.

The director, on the director's own motion or the application of any person, may modify, suspend, or revoke any permit if, after affording the permittee an opportunity for a hearing in accordance with chapter 91, the director determines that:

- (1) There is a violation of any condition of the permit; [or]
- (2) The permit was obtained by misrepresentation, or failure to disclose fully all relevant facts; or
- (3) There is a release or threatened release of regulated substances that the department deems to pose an imminent and substantial risk to [public] human health [and] or the environment.

(d) No applicant for a modification or renewal of a permit shall be held in violation of [this chapter] the requirement to obtain a permit during the pendency of the applicant's application so long as the applicant acts in compliance with the permit previously granted[, the application and all plans, specifications, and other information submitted as a part thereof]."

SECTION 6. Section 342L-5, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-5[]] Variances allowed. Provisions under this chapter deemed more stringent than the federal rules established under Subtitle I of the <u>federal</u> Resource Conservation and Recovery Act, as [amended] <u>added</u> by the <u>federal</u> Hazardous and Solid Waste Amendments of 1984, may be varied by the department, when the variance results in an equivalent degree of [public] <u>human</u> health and environmental protection and does not present a greater danger to [public] <u>human</u> health [and] <u>or</u> the environment."

SECTION 7. Section 342L-6, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) Whenever an application is approved, the department shall issue a variance authorizing the installation or operation of an underground storage tank <u>or tank system</u> in a manner deviating from full compliance with applicable standards. No variance shall be granted by the department unless the application and the supporting information clearly show that:

(1) The [continuation of the function or operation involved in the] installation or operation of an underground storage tank or tank system occurring or proposed to occur by the granting of the variance [is protective of public] does not present a greater danger to human health [and] or the environment[;] than the installation or operation of what would have been allowed by the federal rules established under Subtitle I of the federal Resource Conservation and Recovery

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Act, as added by the federal Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §§6991-6991i;

- (2) The installation or operation of an underground storage tank <u>or tank</u> <u>system</u> occurring or proposed to occur does not imminently and substantially endanger human health [and] <u>or</u> the environment or the public's safety; and
- (3) Compliance with the rules or standards from which variance is sought would produce serious financial hardship to the owner and operator."

SECTION 8. Section 342L-6, Hawaii Revised Statutes, is amended by amending subsection (h) to read as follows:

"(h) Any application for a variance, submitted pursuant to this chapter, shall be subject to the public participation requirements listed below.

- (1) Public notices of every completed application for a variance shall be circulated in a manner designed to inform interested and potentially interested persons of the proposed activity. Procedures for the circulation of public notices shall include at least the following:
  - (A) Notice shall be circulated within the geographical areas of the proposed activity; [such] <u>this</u> circulation shall include publishing in local newspapers and periodicals, or, if appropriate, in a daily newspaper of general circulation;
  - (B) Notice shall be mailed to any person or group upon request; and
  - (C) The director shall add the name of any person or group upon request to a mailing list to receive copies of notices for all variance applications within the State or within a certain geographical area.
- (2) The director shall provide a period of not less than thirty days following the date of the public notice during which time interested persons <u>or groups</u> may submit their written comments with respect to the variance application and the tentative determinations of the department, if any. The period for comment may be extended at the discretion of the director.
- (3) The contents of public notice of applications for variances shall include at least the following:
  - (A) Name, address, and [phone] <u>telephone</u> number of <u>the</u> agency issuing the public notice;
  - (B) Name and address of each applicant and other involved parties including the landowner, facility owner, underground storage tank <u>or tank system</u> owner, facility operator, and underground storage tank <u>or tank system</u> operator;
  - (C) Brief description of all applicant activities or operations [which] that result in the activity described in the variance application (e.g., rock crushing plant, municipal waste treatment plant, raw sugar factory, or pineapple cannery);
  - (D) A short description of the location of each underground storage tank[;] or tank system;
  - (E) A brief description of the procedures for the formulation of final determinations, including the thirty-day comment period required by paragraph (2) [of this subsection] and any other

means by which interested persons may influence or comment upon those determinations; and

- (F) Address and [phone] <u>telephone</u> number of <u>the</u> state agency or other location at which interested persons may obtain further information and inspect a copy of the variance applications and supporting and related documents.
- (4) The director may hold a public hearing if, after reviewing the comments submitted under paragraph (2), the director determines that a public hearing is warranted. Any hearing brought pursuant to this subsection shall be held in the geographical area of the proposed activity, or other appropriate area, at the discretion of the director."

SECTION 9. Section 342L-7, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-7[] Investigations; inspections; corrective action.] <u>Authori-</u> ty to obtain information and data, inspect, and require and conduct activities; penalties for disclosure. (a) For the purpose of developing or assisting in the development of any rule, conducting any study, taking any [corrective] release response action, or enforcing this chapter, any owner or operator of an underground storage tank[,] or tank system, and any person involved in response actions relating to any releases from these tanks or tank systems, upon the request of any duly authorized representative of the department, shall [furnish]:

- (1) <u>Furnish information relating to [such] the tanks[,] or tank systems,</u> including tank equipment and contents[; conduct] <u>and any response</u> actions relating to releases from the tanks or tank systems;
- (2) <u>Conduct</u> monitoring or testing; and [permit]
- (3) <u>Permit</u> the designated representative at all reasonable times to have access to, and to copy all records relating to [such] the tanks[.] or tank systems.

(b) For the purpose of developing or assisting in the development of any rule, conducting any study, investigating an actual or suspected release, monitoring for compliance or noncompliance with this chapter, any rule or standard adopted pursuant to this chapter, or any permit or variance issued pursuant to this chapter, taking [corrective] release response action, or enforcing this chapter, any duly authorized representative of the department [is authorized:] may:

- (1) [To enter] <u>Enter</u> at reasonable times any establishment or place;
- (2) [To inspect] <u>Inspect</u> and obtain samples from any person of any regulated substances contained in any underground storage tank[;] <u>or</u> <u>tank system;</u>
- (3) [To conduct] <u>Conduct</u> monitoring or testing of the tanks[,] <u>or tank</u> <u>systems</u>, associated equipment, contents, or [surrounding] soils, air, surface water, or groundwater; and
- (4) [To take corrective] <u>Take release response</u> action.

Each inspection shall be commenced and completed with reasonable promptness. (c) Any records, reports, or information obtained from any persons under

this section shall be available to the public except as provided in this subsection. Upon a showing satisfactory to the department that public disclosure of records, reports, or information, or a particular part thereof, to which the department representative has access under this section would divulge [commercial or financial] information entitled to protection under [state or federal law,] <u>chapter 92F</u>, the department shall consider [such] <u>the</u> information or a particular portion thereof to be confidential. No <u>such</u> confidential information secured pursuant to this section

by any official or employee of the department within the scope and cause of the official's or employee's employment in the prevention, control, or abatement of releases from underground storage tanks <u>or tank systems</u> shall be disclosed by the official or employee with the following exception: the document or information may be disclosed to officers, employees, or authorized representatives of the State or of the United States, including local government entities, who have been charged with carrying out this chapter or Subtitle I of the <u>federal</u> Resource Conservation and Recovery Act, or when relevant in any proceeding under this chapter.

(d) Any representative of the department, acquiring confidential information pursuant to this section, who intentionally or knowingly divulges or discloses information, upon conviction, shall be fined not more than \$5,000 or be imprisoned for a period not to exceed one year, or both, unless the disclosure is authorized in this chapter or ordered by a court or at an administrative hearing regarding an alleged violation of this chapter or of any rule or standard adopted pursuant to this chapter."

SECTION 10. Section 342L-8, Hawaii Revised Statutes, is amended to read as follows:

"§342L-8 Enforcement. (a) If the director determines that any person has violated or is violating this chapter, any rule adopted pursuant to this chapter, or any <u>term or</u> condition of a permit or variance issued pursuant to this chapter the director[:

- (1) Shall cause written notice to be served upon the alleged violator or violators. The notice shall specify the alleged violation and may contain an order specifying a reasonable time during which that person shall be required to take such measures as may be necessary to correct the violation and to give periodic progress reports.
- (2) May require that the alleged violator or violators appear before the director for a hearing at a time and place specified in the notice and answer the charges complained of.
- (3) May impose penalties as provided in section 342L-10 by sending a notice in writing, either by certified mail or by personal service, to the alleged violator or violators describing such violation.

(b) If the director determines that any person is continuing to violate this chapter, any rule adopted pursuant to this chapter, or any condition of a permit or variance issued pursuant to this chapter, after having been served notice of violation, the director:

- (1) Shall cause written notice to be served upon the alleged violator or violators. The notice shall specify the alleged violation and shall contain an order requiring that person to submit a written schedule within thirty days specifying the measures to be taken and the time within which such measures shall be taken to bring that person into compliance with the provisions of this chapter, any rule adopted pursuant to this chapter, or the conditions of any permit or variance issued pursuant to this chapter.
- (2) Shall accept or modify the submitted schedule within thirty days of receipt of such schedule. Any schedule not acted upon after thirty days of receipt by the director shall be deemed accepted by the director.
- (3) Shall issue to the alleged violator or violators a cease and desist order against the activities that violate this chapter, any rule adopted

pursuant to this chapter, or any condition of a permit or variance issued pursuant to this chapter if that person does not submit a written schedule to the director within thirty days. This order shall remain in effect until such time that the director accepts the written schedule.

(4) May impose penalties as provided in section 342L-10 by sending a notice in writing, either by certified mail or by personal service, to the alleged violator or violators describing such violation.

(c) If the director determines that any person has violated an accepted schedule or an order issued pursuant to this section, the director shall impose penalties by sending a notice in writing, either by certified mail or by personal service, to that person, describing such nonadherence or violation with reasonable particularity.] may do one or more of the following:

- (1) <u>Issue an order assessing a civil penalty for any past or current viola-</u> tion;
- (2) Issue an order requiring compliance immediately or within a specified time period; or
- (3) Commence a civil action in the circuit court in the circuit in which the violation occurred, the person resides, or the principal place of business exists for appropriate relief, including a temporary, preliminary, or permanent injunction.

(b) Any order issued pursuant to this section may include a suspension, modification, or revocation of any permit or variance issued under this chapter, and shall state with reasonable specificity the nature of the violation. Any penalties assessed in the order shall be in accordance with sections 342L-10 and 342L-11.

[(d)] (c) Any order issued under this chapter shall become final, unless not later than twenty days after the [notice of] order is served, the person or persons named therein request in writing a hearing before the director. Any penalty imposed under this chapter shall become due and payable twenty days after the [notice of penalty] <u>order</u> is served unless the person or persons named therein request in writing a hearing before the director. Whenever a hearing is requested on any penalty imposed under this chapter, the penalty shall become due and payable only upon completion of all review proceedings and the issuance of a final order confirming the penalty in whole or in part. Upon request for a hearing, the director shall require that the alleged violator or violators appear before the director for a hearing at a time and place specified in the notice and answer the charges complained of.

[(e)] (d) Any hearing conducted under this section shall be conducted as a contested case under chapter 91. If, after a hearing held pursuant to this section, the director finds that [a violation or] <u>one or more</u> violations have occurred[,] <u>or are occurring</u>, the director shall affirm or modify any penalties imposed or shall modify or affirm the order previously issued or issue an appropriate order or orders for the prevention, abatement, or control of the violation or release involved, or for the taking of such other corrective action as may be appropriate. If, after a hearing on an order [or penalty contained in a notice], the director finds that no violation has occurred or is occurring, the director shall rescind the order [or penalty]. Any order issued after a hearing may prescribe the date or dates by which the violation or violations shall cease and may prescribe timetables for necessary action in preventing, abating, or controlling the violation or release.

[(f)] (e) If the amount of any penalty is not paid to the department within thirty days after it becomes due and payable, the director may institute a civil

action in the name of the State to recover the civil penalty [which shall be a government realization].

In any proceeding to recover the civil penalty imposed, the director need only show that notice was given, a hearing was held or the time granted for requesting a hearing has run without such a request, the civil penalty was imposed, and that the penalty remains unpaid.

[(g)] (f) In connection with any hearing held pursuant to this section, the director shall have the power to subpoen the attendance of witnesses and the production of evidence on behalf of all parties.

(g) All penalties shall be deposited to the credit of the leaking underground storage tank fund established in section 342L-51."

SECTION 11. Section 342L-9, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Notwithstanding any other law to the contrary, if the director determines that an imminent peril to [the public] <u>human</u> health and safety [and] <u>or</u> the environment is or will be caused by a release, or by any action taken in response to a release from an underground storage tank or tank system, or by the installation or operation of an underground storage tank[,] <u>or tank system</u>, which requires immediate action, the director, with the approval of the governor and without [public] <u>any</u> hearing, may order any person causing or contributing to the peril to immediately reduce or stop [such] <u>the</u> release or activity or the director may take any and all other actions as may be necessary. [Such] <u>The</u> order shall fix a place and time, not later than twenty-four hours thereafter, for a hearing to be held before the director."

SECTION 12. Section 342L-10, Hawaii Revised Statutes, is amended to read as follows:

"§342L-10 Penalties. (a) Any person who violates this chapter, any rule adopted pursuant to this chapter, or any condition of a permit or variance issued pursuant to this chapter shall be fined not more than [\$10,000] <u>\$25,000</u> for each individual tank for each day of <u>each</u> violation. Each day of each violation shall constitute a separate offense. [Any] <u>In addition, any</u> person who fails to comply with an order issued under this chapter within the time specified in the order shall be fined not more than \$25,000 for each day of [continued] noncompliance[.] with the order. Any action taken to impose or collect the penalty provided for in this subsection shall be considered a civil action.

- (b) Any person who [denies,]:
- (1) Denies, obstructs, or hampers the entrance [and], inspection, or conduct of release response activities by any duly authorized [officer or employee] representative of the department [of] at any building, place, site, facility, vehicle, or structure that the [officer or employee] representative is authorized to enter, [and] inspect, or at which the representative is authorized to conduct release response activities; or
- (2) Fails to provide information requested by the representative as required under section 342L-7;

shall be fined not more than \$500 per day of denial, obstruction, [or] hindrance[.], or failure. Any action taken to impose or collect the penalty provided for in this subsection shall be considered a civil action."

SECTION 13. Section 342L-11, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-11[]] Administrative penalties. In addition to any other administrative or judicial remedy provided by this chapter, or by rules adopted under this chapter, the director [is authorized to] <u>may</u> impose by order the penalties specified in section [342L-10(a).] <u>342L-10</u>. Factors to be considered in imposing an administrative penalty include the nature and history of the violation and of any prior violations, and the opportunity, difficulty, and history of [corrective action.] <u>compliance.</u> It [is] <u>shall be</u> presumed that the violator's economic and financial conditions allow payment of the penalty, and the burden of proof to the contrary [is] <u>shall be</u> on the violator.

In any proceeding to recover the civil penalty imposed, the director need only show that notice was given, a hearing was held, or the time granted for requesting a hearing has run without such a request, the civil penalty was imposed, and that the penalty remains unpaid."

SECTION 14. Section 342L-12, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-12[]] Injunctive relief. The director may institute a civil action in any court of competent jurisdiction for injunctive relief to prevent or stop any violation of this chapter, any rule adopted pursuant to this chapter, or any permit or variance issued pursuant to this chapter, without the necessity of a prior revocation of the permit or variance. The court [shall have power to] may grant relief in accordance with the Hawaii rules of civil procedure."

SECTION 15. Section 342L-13, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-13[]] Appeal. If any party is aggrieved by [the decision] <u>an</u> <u>order</u> of the director, the party may appeal in the manner provided in chapter 91 to the circuit court of the circuit in which the party resides or has the party's principal place of business or in which the action in question occurred; provided that the operation of [a cease and desist] <u>an</u> order [will] <u>shall</u> not be stayed on appeal unless specifically ordered by a court of competent jurisdiction."

SECTION 16. Section 342L-14, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-14[]] Fees. [The] <u>Notwithstanding section 342L-36.5 to the</u> <u>contrary, the</u> director may establish reasonable fees for the registration of underground storage tanks[,] <u>or tank systems</u>, for the issuance, renewal, and modification of permits and variances to cover the cost of issuance thereof and for the implementation and enforcement of the terms and conditions of permits and variances including inspections and necessary site visits (not including court costs or other costs associated with any formal enforcement action), and for the review, evaluation, and approval of plans [submitted] regarding [corrective action and site visit] <u>release response</u> activities. The fees shall be deposited to the credit of the general fund."

SECTION 17. Section 342L-15, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-15[]] Public records; confidential information[; penalties for disclosure]. Reports and records submitted to the department by any person on the ownership, installation, or operation of underground storage tanks or tank systems shall be made available for inspection by the public during established office hours [unless such reports contain information of a confidential nature concerning secret processes or methods of manufacture. Any officer, employee, or agent of the department acquiring confidential information from the inspection authorized by section 342L-7 who knowingly and wilfully divulges or discloses information except as authorized in this chapter or except as ordered by a court or at an administrative hearing regarding an alleged violation of this chapter or of any rule or standard adopted pursuant to this chapter shall, upon conviction, be fined not more than \$5,000 or shall be imprisoned not to exceed one year, or both.] except as provided in this section. Upon a showing satisfactory to the department that public disclosure of records, reports, or information, or a particular part thereof, to which the department's representative has access to under this section would divulge information entitled to protection under chapter 92F, the department shall consider the information or a particular portion thereof to be confidential. No confidential information secured pursuant to this section by any official or employee of the department within the scope of and cause of the official's or employee's employment in the prevention, control, or abatement of releases from underground storage tanks or tank systems, shall be disclosed by the official or employee with the following exception: the document or information may be disclosed to officers, employees, or authorized representatives of the State or of the United States, including county government entities, who have been charged with carrying out this chapter or Subtitle I of the federal Resource Conservation and Recovery Act, or when relevant in any proceeding under this chapter."

SECTION 18. Section 342L-16, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-16[]] Nonliability of department personnel. Notwithstanding any other law to the contrary, no member, officer, or employee of the department shall be criminally liable or responsible under this chapter for any acts done by the member, officer, or employee in the performance of the member's, officer's, or employee's duties; provided that this section shall not apply to violations of section [342L-15.] <u>342L-7(d)</u>."

SECTION 19. Section 342L-20, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Any county may adopt ordinances and rules governing any matter relating to underground storage tanks [which] <u>or tank systems that</u> are [not] governed by a rule of the department adopted pursuant to this chapter; provided that any county ordinance or rule relating to underground storage tanks <u>or tank systems</u> shall be void and of no effect [as to any matter regulated by] <u>if inconsistent</u> <u>with</u> a rule of the department upon the adoption thereof."

SECTION 20. Section 342L-30, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-30[]] Notification requirements. (a) [The] Except as provided in subsection (c), the owner of an existing underground storage tank or existing <u>tank system</u> shall notify the department by December 31, 1989, of the existence of [such] <u>the</u> tank <u>or tank system</u> and specify the age, size, type, location, and uses of [such] <u>the</u> tank[.] <u>or tank system</u>. Notice shall be made on an approved form of notice provided by the department.

(b) The owner of an existing underground storage<sup>1</sup> tank <u>or existing tank</u> <u>system</u> taken out of operation between January 1, 1974, and May 19, 1986, shall notify the department by December 31, 1989, of the existence of the tank[,] <u>or</u> <u>tank system</u>, unless the [owner knows the] tank <u>or tank system</u> [subsequently] was removed from the ground[.] <u>prior to May 8, 1986</u>. Notices shall include, to the extent known to the owner, at least the following specifications:

- (1) The date the tank or tank system was taken out of operation;
- (2) The age of the tank <u>or tank system</u> on the date taken out of operation;
- (3) The size, type, and location of the tank[;] or tank system; and
- (4) The type and quantity of substances left stored in the tank <u>or tank</u> system on the date taken out of operation.

(c) Any owner who brings into use an underground storage tank <u>or tank</u> system after May 19, 1986, shall notify the department within thirty days after the installation of the tank[,] <u>or tank system</u>, specifying the age, size, type, location, and uses of the tank[.] <u>or tank system</u>.

(d) Subsections (a) to (c) shall not apply to tanks <u>or tank systems</u> for which notice was given pursuant to section 103(c) of the <u>federal</u> Comprehensive Environmental Response, Compensation, and Liability Act of 1980, Public Law 96-516, as amended.

(e) Any person who acquired ownership of an underground storage tank or tank system after December 31, 1989, shall notify the department within thirty days of the effective date of this Act whether or not the person still owns the underground storage tank or tank system. Any person who acquires ownership of an underground storage tank or tank system after the effective date of this Act shall notify the department within thirty days of acquiring ownership. If there is a change of operator of an underground storage tank or tank system, the owner shall notify the department within thirty days of the change of operator. Notification of any of the above changes in the owner or operator of an underground storage tank or tank system shall be made on a form provided by the department.

[(e)] (f) The owner of an underground storage tank or tank system taken out of operation on or before January 1, 1974, [is] shall not <u>be</u> required to notify the department.

[(f)] (g) Any person who sells a tank <u>or tank system</u> intended to be used as an underground storage tank <u>or tank system</u> shall notify the purchaser of [such] <u>the</u> tank <u>or tank system</u> of the owner's notification requirements established under this section.

[(g)] (h) Beginning on June 7, 1989, and for eighteen months thereafter, any person who deposits regulated substances into an underground storage tank <u>or tank system</u> shall notify the owner of [such] <u>the</u> tank <u>or tank system</u> of the owner's notification requirements established under this section.

(i) Any failure to comply with the requirements of this section, including any submission of false information, shall be subject to the penalties set forth in sections 342L-10 and 342L-11 for each day of each violation."

SECTION 21. Section 342L-31, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-31[] Tank permit] Permit requirements and transfer of

**permit.** (a) No person shall install or operate an underground storage tank <u>or tank</u> <u>system</u> brought into use after the effective date of the [new] tank <u>or tank system</u> standards established in section 342L-32 unless a permit is obtained from the department and upon payment of a fee.

(b) No permit to own or operate an underground storage tank or tank system shall be transferred to any person without prior written approval of the director.

[(b)] (c) The department shall prepare a form [which provides for the acceptance of] for an application to request the director's approval to transfer a permit of ownership or operation of an underground storage tank or tank system. A person wishing to accept the obligations of a transferred permit [by any person who is to assume the ownership of] to own or operate an underground storage tank or tank system from the previous owner[. That person shall complete the form accepting the obligations of the permit and submit the completed form within thirty days after the date of transfer of ownership of the underground storage tank.] or operator shall complete an application form and submit the form to the director. The director shall review the application and issue an approval of the transfer if the applicant proves to the satisfaction of the director that the applicant is able to comply with the conditions of the permit."

SECTION 22. Section 342L-32, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-32[] New tank standards.] <u>Standards for tanks and tank</u> <u>systems.</u> (a) The department shall adopt [performance] standards under chapter 91 which shall apply to underground storage tanks [brought into use on or after the effective date of such standards. The performance standards for new underground storage tanks shall include, but are not limited to, design, construction, installation, release detection, and compatibility standards.] and tank systems.

(b) [New tank construction] <u>Underground storage tank and tank system</u> standards shall include, but are not limited to the following specifications:

- (1) The tank [will] and tank system shall be designed, constructed, installed, upgraded, maintained, repaired, and operated to prevent releases of the stored regulated substances [due to corrosion or structural failure] for the operational life of the tank[;] <u>or tank system;</u>
- [(2) The tank is cathodically protected against corrosion, constructed of noncorrosive material, or steel clad with a noncorrosive material, or designed in a manner to prevent the release or threatened release of the stored regulated substance; and
- (3)] (2) The material used in the construction or lining of the tank <u>or</u> <u>tank system</u> is compatible with the substance to be stored[.]; and
- (3) Existing underground storage tanks or existing tank systems shall be replaced or upgraded not later than December 22, 1998, to prevent releases for their operating life."

SECTION 23. Section 342L-33, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-33[] Leak] <u>Release</u> detection [and record maintenance]. [(a)] The department, <u>pursuant to chapter 91</u>, shall adopt [under chapter 91] standards of performance for maintaining a [leak] <u>release</u> detection system, [an]

including, but not limited to, inventory control [system, and tank], tightness testing [system, or a comparable system or method], and any other methods designed to identify releases from the underground storage tank or tank system in a manner consistent with the protection of human health and the environment. [In addition, the department shall adopt requirements for owners and operators to maintain records of any such monitoring, leak detection, inventory control, and tank testing system.

(b) The requirements for the leak detection and record maintenance system shall include, but are not limited to:

- (1) Directing the owner or operator of an underground storage tank to keep accurate regulated substance inventory records for the purpose of detecting leaks. Records shall be kept for each tank on each day a regulated substance is added to or withdrawn from the tank and shall include, as a minimum, a record of the amount of stored regulated substance withdrawn and received and the amount of stored regulated substance in the tank.
- (2) Inventory measurements shall be made by gauge or gauge stick or by readout from an automatic monitoring system.
- (3) Inventory records shall be maintained on a regular basis; provided that daily inventory records need not be maintained on those days when a tank is not used if such period does not exceed seven days.
- (4) Losses or gains from each day's inventory period shall be averaged for each five consecutive readings or once a week.
- (5) Records required to be maintained by the owners and operators, pursuant to this section, shall be retained for a minimum of two years.]"

SECTION 24. Section 342L-34, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-34[]] Reporting of releases. The department, pursuant to chapter 91, shall adopt [under chapter 91] requirements for reporting [regarding] suspected or confirmed releases and [corrective] action taken in response to a suspected or confirmed release from an underground storage tank[.] or tank system."

SECTION 25. Section 342L-35, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-35[] Corrective action.] <u>Response to suspected or confirmed</u> releases. The department, <u>pursuant to chapter 91</u>, shall adopt [under chapter 91] requirements for <u>investigating a suspected release and</u> taking [corrective] action in response to a <u>confirmed</u> release from an underground storage tank <u>or tank sys-</u> tem, which [should] <u>shall</u> include at least the following:

- (1) Requirement that when a [leak] <u>release</u> is found, the substances in the tank <u>or tank system</u> be emptied if emptying the substances does not present a greater danger to [public] <u>human</u> health [and] <u>or</u> the environment;
- (2) Requirement for [the removal or] proper closure of the tank[,] or tank system, following the requirements established under section 342L-37, or repair and testing of the tank or tank system before placing it back into operation;
- (3) Requirement that the owner and operator of the [leaking] underground storage tank or tank system that had a release restore the

environment to a condition and quality acceptable to the department; and

(4) Requirement to [conduct public participation activities.] <u>notify those</u> members of the public directly affected by the release and the proposed response to the release."

SECTION 26. Section 342L-36, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-36[]] Financial responsibility. (a) The department, <u>pursuant</u> to chapter 91, shall adopt [under chapter 91] requirements for maintaining evidence of financial responsibility for taking [corrective] <u>response</u> action and compensating third parties for bodily injury and property damage caused by [sudden and nonsudden] <u>any</u> accidental releases arising from operating an underground storage tank[.] <u>or tank system</u>. Evidence of financial responsibility may be established [by rule] by any one, or any combination of the following: insurance, [corporate guarantees,] <u>guarantee</u>, surety bond, letter of credit, [or] qualification as a [self insurer,] <u>self-insurer</u>, or any other method satisfactory to the department. In prescribing requirements under this subsection, the department may specify policy or other contractual terms, conditions, or defenses [which] <u>that</u> are necessary or acceptable to establish evidence of financial responsibility.

(b) If the owner or operator is in bankruptcy, reorganization, or arrangement pursuant to the Federal Bankruptcy Code, or if jurisdiction in any state or federal court cannot be obtained over an owner or operator likely to be solvent at the time of judgment, any claim arising from conduct for which evidence of financial responsibility must be provided under this subsection may be asserted directly against the [guarantor providing the evidence of financial responsibility.] provider of financial assurance. In the case of action pursuant to this subsection, the [guarantor is entitled to] provider of financial assurance may invoke all rights and defenses [which] that would have been available to the owner or operator if any action had been brought against the owner or operator by the claimant and which would have been available to the [guarantor] provider of financial assurance if an action had been brought against the [guarantor] provider of financial assurance by the owner or operator.

(c) The total liability of a [guarantor] provider of financial assurance shall be limited to the aggregate amount [which] <u>that</u> the [guarantor] provider of financial assurance has provided as evidence of financial responsibility to the owner or operator under this subsection. This subsection does not limit any other state or federal statutory, contractual, or common law liability of a [guarantor] <u>provider of financial assurance</u> to [its] <u>the</u> owner or operator, including, but not limited to, the liability of the [guarantor] <u>provider of financial assurance</u> for bad faith in negotiating or in failing to negotiate the settlement of any claim. This subsection does not diminish the liability of any person under section 107 or 111 of the <u>federal</u> Comprehensive Environmental Response, Compensation, and Liability Act of 1980 or [either] <u>other</u> applicable law.

(d) The department may establish the amount of required coverage for particular classes or categories of underground storage tanks <u>or tank systems</u> containing petroleum, which shall not be less than \$1,000,000 for each occurrence with an appropriate aggregate requirement.

(e) The department may establish amounts lower than the amounts required by subsection (d) for underground storage tanks <u>or tank systems</u> containing petroleum, which are at facilities not engaged in petroleum production,

refining, or marketing, and which are not used to handle substantial quantities of petroleum.

(f) The department may consider the following factors in establishing the amount of coverage:

- The size, type, location, storage, and handling capacity of underground storage tanks <u>or tank systems</u> in the class or category and the volume of petroleum handled by [such] <u>the tanks[.] or tank systems;</u>
- (2) The likelihood of release from underground storage tanks <u>or tank</u> <u>systems</u> in the class or category[.];
- (3) The economic impact of the limits on the owners and operators of each such class or category, particularly relating to the small business segment of the petroleum marketing industry[.];
- (4) The availability of methods of financial responsibility in amounts greater than the amount established by this section[.]: and
- (5) Such other factors as the department deems pertinent.

(g) The department may suspend enforcement of the financial responsibility requirements for a particular class or category of underground storage tanks <u>or</u> <u>tank systems</u> if the department determines that methods of financial responsibility satisfying the requirements of this section are not generally available for underground storage tanks <u>or tank systems</u> in that class or category, and:

- (1) Steps are being taken to form a risk retention group for [such] the class of tanks[;] or tank systems; or
- (2) The State is taking steps to establish a fund to be implemented by the department or local agencies and departments for [corrective] response action and compensation for [such] the class of tanks[.] or tank systems.

The initial suspension by the department pursuant to this subsection may be for a period not to exceed [180] <u>one hundred eighty</u> days. A determination to continue suspension may be made with respect to the same class or category at the end of [such] <u>the</u> period, but only if substantial progress has been made in establishing a risk retention group, or the owners or operators in the class or category demonstrate, and the department finds, that the formation of such a group is not possible and that the State is unable or unwilling to establish such a fund described in paragraph (2)."

SECTION 27. Section 342L-36.5, Hawaii Revised Statutes, is amended to read as follows:

"§342L-36.5 Underground storage tank fees. (a) The department shall collect underground storage tank fees that, after the deduction of administrative expenses necessary for the implementation of this chapter, are to be placed into a separate account of the Hawaii capital loan revolving fund for the purpose of making loans to businesses to replace, upgrade, close, take remedial action relating to, and clean up releases from, their underground storage tanks.

(b) The department may deduct up to \$50,000 of fees collected to educate tank owners as to the requirements of this chapter.

(c) The department of business, economic development, and tourism may deduct up to \$100,000 of these funds to identify available state-owned lands on the islands of Oahu, Hawaii, Maui, and Kauai for the purpose of remediating contaminated soils.

[(b)] (d) The director may suspend the collection of fees at any time<sup>2</sup> the director determines, on both actuarial and environmental grounds, that the

account has a sufficient balance to meet actual and projected loans.] that the fund has met its purpose.

[(c)] (e) Beginning October 1, [1991,] 1992, every owner who has complied with the notification requirements of section 342L-30 and whose tank is [currently in use,] in operation, shall pay a registration fee of \$250 to the director for each petroleum underground storage tank[.] owned and in operation. Every year thereafter, every owner who has complied with the notification requirements of section 342L-30 and whose tank is [currently in use,] in operation, shall pay a nanual registration fee of \$250 to the director for each petroleum underground storage tank[.] owned and in operation, shall pay an annual registration fee of \$250 to the director for each petroleum underground storage tank[.] owned and in operation.

[The director may increase or decrease the amount of the fee pursuant to rules adopted under chapter 91 in order to maintain an adequate level in the account.]

[(d) The department may adopt rules pursuant to chapter 91 to establish the conditions and eligibility requirements related to tank replacement, upgrade, closure, and remediation, and the clean up of releases, necessary for persons to utilize the Hawaii capital loan program established under chapter 210.

(e) As used in this section:

"Account" means the separate account established in the Hawaii capital loan revolving fund that, after deduction for administrative expenses needed for the implementation of this chapter, is to be used for the purpose of making loans to businesses replacing, upgrading, closing, taking remedial action relating to, or cleaning up releases from, their underground storage tanks.

"Hawaii capital loan revolving fund" means the revolving fund established pursuant to section 210-3.]"

SECTION 28. Section 342L-37, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-37[]] Underground storage tank and tank system change in service and closure requirements. Nothing in this chapter shall be construed to relieve the owners and operators of underground storage tanks and tank systems that have been removed from the ground of any responsibility to comply with the release response provisions in this chapter and any other requirements applicable to these owners and operators prior to the removal of the underground storage tanks or tank systems. The department, pursuant to chapter 91, shall adopt [under chapter 91] requirements for the change in service and temporary or permanent closure of underground storage tanks., and tank systems, including [the removal and disposal of underground tanks and pipings] requirements to prevent future releases of regulated substances into the environment."

SECTION 29. Section 342L-50, Hawaii Revised Statutes, is amended:

1. By amending the definition of "exposure assessment" to read as follows:

""Exposure assessment" means a determination regarding the extent of [an individual's] exposure [to,] <u>of</u>, or potential for exposure [to,] <u>of</u>, <u>individuals</u> to petroleum from a release from an underground storage tank[.] <u>or tank system</u>. This assessment shall be based on factors such as the nature and extent of contamination, the existence of or potential for pathways of human exposure (including ground or surface water contamination, air emissions, <u>dermal exposure</u>, <u>soil</u> ingestion, and food chain contamination), the size of the community or communities within the likely pathways of exposure, [a comparison] <u>an analysis</u> of expected human exposure levels <u>with respect</u> to [the] short-term and long-term health effects associated with identified contaminants, and any available recommended exposure or tolerance limits for [such] <u>the</u> contaminants."

2. By amending the definition of "facility" to read as follows:

"Facility" means, with respect to any owner or operator, <u>a single parcel</u> of property (or any contiguous or adjacent property), including improvements, in <u>or upon which</u> all underground storage tanks <u>or tank systems</u> used for the storage of petroleum [which] <u>that</u> are owned or operated by [such] <u>the</u> owner or operator [and located on a single parcel of property (or on any contiguous or adjacent property).] <u>are located.</u>"

3. By amending the definition of "owner" to read as follows:

""Owner" means any person who falls within the definition of owner contained within part I [of this chapter who] <u>but excluding a person who</u> does not participate in the management of an underground storage tank <u>or tank system</u> and is otherwise not engaged in petroleum production, refining, and marketing[,] but holds indicia of ownership primarily to protect a security interest in the tank[.] <u>or</u> <u>tank system</u>."

SECTION 30. Section 342L-51, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Moneys from the fund shall be expended by the department for the sole purpose of [corrective action activities in response] responding to petroleum [leaks] releases from underground storage tanks or tank systems in a manner consistent with this chapter."

SECTION 31. Section 342L-52, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-52[] Corrective action.] <u>Response to suspected or con-</u> firmed releases. (a) In the event of a petroleum release from an underground storage tank[,] <u>or tank system</u>, which occurs prior to the adoption of rules for [corrective action] <u>response to suspected or confirmed releases</u> pursuant to section 342L-35, the department may:

- (1) Issue an order requiring the owner or operator of an underground storage tank <u>or tank system</u> to undertake [corrective] <u>response</u> action as is necessary to protect human health [and] <u>or</u> the environment and fixing a place and time, not later than twenty-four hours thereafter, for a hearing to be held before the director; or
- (2) Undertake [corrective] <u>response</u> action by itself or by contract as is necessary to protect human health [and] <u>or</u> the environment.

The department shall use moneys from the fund to pay for costs incurred in undertaking or compelling [corrective] <u>a response</u> action pursuant to this subsection.

The department shall assign priority in undertaking [corrective] <u>response</u> actions, pursuant to this subsection, to cases in which the department cannot identify, within the time necessary to protect human health [and] <u>or</u> the environment,

a solvent owner or operator of the tank[,] <u>or tank system</u>, or even if able to identify such a person, has cause to believe that the person cannot or will not properly undertake [corrective] <u>a response</u> action.

(b) In the event of a petroleum release from an underground storage tank or tank system, which occurs after the adoption of rules for [corrective action] response to suspected or confirmed releases pursuant to section 342L-35, the department may take all actions and issue such orders as are described in subsection (a), which are in conformity with [such] the rules[,]; provided[,] that[,] the department may undertake [corrective action] response actions with respect to any release of petroleum into the environment from an underground storage tank or tank system only if the department finds [such] the action to be necessary to protect human health [and] or the environment and one or more of the following conditions exists:

- (1) No person can be found, within [90] <u>ninety</u> days or such shorter period as may be necessary to protect human health [and] <u>or</u> the environment[,] who is:
  - (A) An owner or operator of the tank[;] or tank system;
  - (B) Subject to [such corrective] the response action rules; and
  - (C) Capable of carrying out [such corrective] <u>the response</u> action properly;
- (2) Prompt action by the department is required to protect human health [and] <u>or</u> the environment;
- (3) Anticipated costs of [corrective] <u>the response</u> action at a facility will exceed the amount of financial responsibility coverage required by the department and, <u>considering</u> the class[,] <u>or</u> category[, or] <u>of</u> [tanks] <u>tank or tank system</u> from which the release occurred [necessitate, in the opinion of], the director[,] <u>determines that</u> expenditures from the fund <u>are necessary</u> in order to assure effective [corrective] <u>response</u> action; or
- (4) The owner or operator [for] <u>of</u> the tank <u>or tank system</u> has failed or refused to comply with a federal order issued pursuant to [sections 9003 and 9006] <u>either section 9003 or 9006</u> of the <u>federal</u> Resource Conservation and Recovery Act or with an order issued pursuant to this section or section 342L-8 [of this chapter] <u>or 342L-9</u> to comply with the [corrective action] rules[.] <u>on response to suspected or confirmed releases.</u>

The department shall assign priority in undertaking [corrective] response actions pursuant to this subsection and in issuing orders requiring owners or operators to undertake [corrective] response actions[,] to those cases involving releases of petroleum from underground storage tanks [which] or tank systems that<sup>1</sup> pose the greatest threat to human health [and] or the environment.

(c) The department is authorized to issue orders to the owner or operator of an underground storage tank <u>or tank system</u> to comply with rules adopted under section 342L-35.

(d) [Corrective] <u>Response</u> actions undertaken by the department may include the temporary or permanent relocation of residents and the provision of alternative household water supplies.

(e) In connection with the performance of any [corrective] response action, the department may undertake an exposure assessment. [Corrective] <u>A</u> response action to abate immediate hazards or reduce exposure shall not be delayed in order to complete any exposure assessment. The costs of any such assessment may be deemed to have been incurred in undertaking the [corrective] response action.

(f) Except as provided in this subsection, in order to protect human life, at any facility whose owner or operator has failed to maintain evidence of financial responsibility in amounts at least equal to the amounts established pursuant to section 342L-36, the department shall expend no moneys from the fund to [clean up] respond to releases at [such] the facility pursuant to subsections (a) and (b). At [such] these facilities the department may use the authority provided in this chapter to order [corrective] a response action to [clean up such] these releases. [However, the] The department may use moneys from the fund to take [corrective] a response action if necessary to protect human health at [such] these facilities and shall seek full recovery of the costs of all such actions. Nothing in this subsection shall prevent the department from taking [corrective] a response action at a facility where there is no solvent owner or operator or where immediate action is necessary to respond to an imminent and substantial endangerment of human health or the environment."

SECTION 32. Section 342L-53, Hawaii Revised Statutes, is amended to read as follows:

"[[]§342L-53[]] Cost recovery. (a) Whenever costs have been incurred by the department in the undertaking of [corrective] <u>a response</u> action or enforcement action with respect to the release of petroleum from an underground storage tank[,] <u>or tank system</u>, the owner or operator of [such] <u>the</u> tank <u>or tank system</u> shall be liable to the federal government or the department for [such] <u>these</u> costs. The liability under this subsection shall be construed to be the standard of liability [which] <u>that</u> obtains under section 311 of the Federal Water Pollution Control Act.

(b) In seeking cost recovery, the department may consider the amount of financial responsibility required to be maintained pursuant to section 342L-36 and the factors considered in establishing the amount of financial responsibility pursuant to section 342L-36.

(c) No indemnification, hold harmless, or similar agreement or conveyance shall be effective to transfer from the owner or operator of any underground storage tank <u>or tank system</u> or from any person who may be liable for a release or threat of release under this section, to any other person, the liability imposed under this section. Nothing in this subsection shall bar any agreement to insure, hold harmless, or indemnify a party to such <u>an</u> agreement for any liability under this section. Nothing in this chapter shall bar a cause of action that an owner or operator or any other person subject to liability under this section, or a [guarantor,] <u>provider of financial assurance</u>, has or would have, by reason of sub-rogation or otherwise against any person.

(d) Moneys collected by the department as part of the cost recovery efforts pursuant to this section shall be deposited in the leaking underground storage tank fund established in section 342L-51."

SECTION 33. Act 267, Session Laws of Hawaii 1991, is amended by amending section 4 to read as follows:

"SECTION 4. This Act shall take effect upon its approval; provided that this Act shall be repealed on January 1, [1993;] <u>1994</u>; provided further that on January 1, [1993,] <u>1994</u>, section 210-3 [and section 342L-36.5,]. Hawaii Revised Statutes, [are] <u>is</u> reenacted in the form in which [they] <u>it</u> read on the day before the approval of this Act[.]; provided further that on January 1, 1994, section 342L-36.5, Hawaii Revised Statutes, is repealed."

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SECTION 34. Section 342L-11.5, Hawaii Revised Statutes, is repealed.

SECTION 35. Section 342L-22, Hawaii Revised Statutes, is repealed.

SECTION 36. Amendment of conflicting laws. All Acts passed during this regular session of 1992, whether enacted before or after the passage of this Act, shall be amended to conform to this Act.

SECTION 37. If any provision of this Act, or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 38. Statutory material to be repealed is bracketed. New statutory material is underscored.<sup>3</sup>

SECTION 39. This Act shall take effect upon its approval; except that section 27 of this Act shall take effect on October 1, 1992.

(Approved June 18, 1992.)

#### Notes

1. Should be underscored.

2. Prior to amendment "that" appeared here.

3. Edited pursuant to HRS §23G-16.5.