

1 State of Arkansas  
2 95th General Assembly  
3 Regular Session, 2025  
4

As Engrossed: H3/18/25

**A Bill**

HOUSE BILL 1277

5 By: Representative Gramlich  
6 By: Senator J. Boyd  
7

**For An Act To Be Entitled**

8 *AN ACT TO AMEND PAYMENTS FOR CORRECTIVE ACTION*  
9 *REGARDING PETROLEUM STORAGE TANKS; AND FOR OTHER*  
10 *PURPOSES.*  
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**Subtitle**

14 *TO AMEND PAYMENTS FOR CORRECTIVE ACTION*  
15 *REGARDING PETROLEUM STORAGE TANKS.*  
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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20 SECTION 1. Arkansas Code § 8-7-907(a), concerning payments for  
21 corrective action regarding petroleum storage tanks, is amended to read as  
22 follows:

23 (a)(1)(A) ~~No~~ A payment for corrective action shall not be paid from  
24 the Petroleum Storage Tank Trust Fund until the owner or operator has  
25 expended ~~seven thousand five hundred dollars (\$7,500)~~ the deductible set by  
26 the rule of the Arkansas Pollution Control and Ecology Commission on  
27 corrective action for the occurrence, except in cases in which the Director  
28 of the Division of Environmental Quality is using emergency authority under §  
29 8-7-905(e).

30 (B) It is the intent of the General Assembly that this  
31 initial level of expenditure be considered the equivalent of an insurance  
32 policy deductible.

33 (2) Owners or operators of underground storage tanks must  
34 demonstrate financial responsibility for the ~~seven thousand five hundred-~~  
35 ~~dollar~~ deductible for corrective actions.  
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1 SECTION 2. Arkansas Code § 8-7-907(d), concerning payments for  
2 corrective action regarding petroleum storage tanks, is amended to read as  
3 follows:

4 ~~(d)(1)(A) Payment for corrective action may be denied if the storage~~  
5 ~~tank owner or operator fails to report a release as required by rule~~  
6 ~~promulgated by the Arkansas Pollution Control and Ecology Commission, and the~~  
7 ~~failure to report the release causes a delay in the corrective action that~~  
8 ~~contributes to an adverse impact to the environment. The amount of the~~  
9 deductible incurred by the owner or operator before the owner or operator is  
10 eligible to receive payment for corrective action shall be established by  
11 rule by the division with the advice and input of the Advisory Committee on  
12 Petroleum Storage Tanks.

13 (B) However, the amount of the deductible shall not be  
14 greater than thirty thousand dollars (\$30,000).

15 (2)(A) The Arkansas Pollution Control and Ecology Commission,  
16 with the advice and input of the Advisory Committee on Petroleum Storage  
17 Tanks, shall provide through rule a deductible that is more than seven  
18 thousand five hundred dollars (\$7,500) but does not exceed thirty thousand  
19 dollars (\$30,000) for violations of rules of the division as identified at  
20 the time of the request for payment for corrective action.

21 (B) The rule may differentiate the variation of the  
22 deductible based on the provision or section of the commission rule that was  
23 violated.

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25 /s/Gramlich  
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