

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

# A Bill

HOUSE BILL 1277

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

## For An Act To Be Entitled

8  
9 AN ACT TO AMEND PAYMENTS FOR CORRECTIVE ACTION  
10 REGARDING PETROLEUM STORAGE TANKS; TO ALLOW THIRD  
11 PARTY CONSULTANTS OF OWNERS AND OPERATORS TO BE PAID  
12 DIRECTLY FOR CORRECTIVE ACTION; AND FOR OTHER  
13 PURPOSES.  
14

## Subtitle

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17 TO AMEND PAYMENTS FOR CORRECTIVE ACTION  
18 REGARDING PETROLEUM STORAGE TANKS; AND  
19 TO ALLOW THIRD PARTY CONSULTANTS OF  
20 OWNERS AND OPERATORS TO BE PAID DIRECTLY  
21 FOR CORRECTIVE ACTION.  
22

23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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25 SECTION 1. Arkansas Code § 8-7-905(d)(3), concerning the purposes for  
26 which moneys in the Petroleum Storage Tank Trust Fund may be expended, is  
27 amended to read as follows:

28 (3) To pay reimbursement to owners and operators or third party  
29 consultants of the owners and operators for taking corrective action or to  
30 pay third parties for compensatory damages caused by accidental releases from  
31 qualified storage tanks;  
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33 SECTION 2. Arkansas Code § 8-7-907(a), concerning payments for  
34 corrective action regarding petroleum storage tanks, is amended to read as  
35 follows:

36 (a)(1)(A) ~~No~~ A payment for corrective action shall not be paid from



1 the Petroleum Storage Tank Trust Fund until the owner or operator has  
 2 expended ~~seven thousand five hundred dollars (\$7,500)~~ the deductible set by  
 3 the rule of the Division of Environmental Quality on corrective action for  
 4 the occurrence, except in cases in which the Director of the Division of  
 5 Environmental Quality is using emergency authority under § 8-7-905(e).

6 (B) It is the intent of the General Assembly that this  
 7 initial level of expenditure be considered the equivalent of an insurance  
 8 policy deductible.

9 (2) Owners or operators of underground storage tanks must  
 10 demonstrate financial responsibility for the ~~seven thousand five hundred~~  
 11 ~~dollar~~ deductible for corrective actions.

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 13 SECTION 3. Arkansas Code § 8-7-907(d), concerning payments for  
 14 corrective action regarding petroleum storage tanks, is amended to read as  
 15 follows:

16 ~~(d)(1)(A) Payment for corrective action may be denied if the storage~~  
 17 ~~tank owner or operator fails to report a release as required by rule~~  
 18 ~~promulgated by the Arkansas Pollution Control and Ecology Commission, and the~~  
 19 ~~failure to report the release causes a delay in the corrective action that~~  
 20 ~~contributes to an adverse impact to the environment. The amount of the~~  
 21 deductible incurred by the owner or operator before the owner or operator is  
 22 eligible to receive payment for corrective action shall be established by  
 23 rule by the division with the advice and input of the Advisory Committee on  
 24 Petroleum Storage Tanks.

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

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

33 (B) The rule may differentiate the variation of the  
 34 deductible based on the provision or section of the commission rule that was  
 35 violated.

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1           SECTION 4. Arkansas Code § 8-7-907, concerning payments for corrective  
2 action regarding petroleum storage tanks, is amended to add an additional  
3 subsection to read as follows:

4           (1) The commission may directly pay a third party consultant of an  
5 owner or operator for corrective action taken on behalf of an owner or  
6 operator.

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