

Environmental Stewardship Fund; HB 2192

HB 2192 creates the Environmental Stewardship Fund (Fund) in the Department of Health and Environment (KDHE) to pay for remediation activities at contaminated “orphan” sites, *i.e.*, sites with no party responsible for cleanup. It is funded by a portion of the proceeds from the environmental assurance fee, a \$0.01 per gallon fee already being assessed on petroleum products other than aviation fuel. The Fund has an operating minimum of \$2.0 million and a maximum of \$5.0 million.

The bill also creates an incentive program for owners of single-wall underground petroleum tanks who replace those tanks with secondary containment systems. The incentive program will reimburse applicants no more than \$50,000 per facility. The incentives will be paid from the Underground Storage Tank (UST) Redevelopment Fund, up to a maximum of \$3.0 million per fiscal year. As part of this program, KDHE will waive the first costs of corrective action if contamination is discovered during the tank replacement. Essentially, this waives the “deductible” a tank owner must pay before being eligible for UST Trust Fund moneys to assist with cleanup. The Secretary of Health and Environment is authorized to adopt rules and regulations deemed necessary to carry out the program.