

FOR CONSIDERATION By the Committee on Environmental Preservation

592-728A-05

1 A bill to be entitled
2 An act relating to underground petroleum
3 storage tanks; amending s. 376.3071, F.S.;
4 directing the Department of Environmental
5 Protection to encumber petroleum remediation
6 funds uniformly throughout the state's fiscal
7 year; providing for a prioritization within a
8 priority scoring range; providing that limited
9 source removal projects approved outside the
10 established priority order may be funded from
11 the Inland Protection Trust Fund; providing a
12 priority order for these projects; limiting the
13 use of the funds to certain specified purposes;
14 limiting the amount of money allocated to such
15 projects each fiscal year; providing for the
16 repeal of the law on a specified date; amending
17 s. 376.30713, F.S.; providing that the
18 preapproved advanced cleanup provisions may
19 apply to certain discharges under the petroleum
20 cleanup participation program; amending s.
21 376.3075, F.S.; authorizing the Inland
22 Protection Financing Corporation to borrow
23 money and issue bonds to pay for large-scale
24 cleanups that are eligible for state funding;
25 extending the termination date of the
26 corporation; providing an effective date.

27
28 WHEREAS, all of Florida's underground petroleum storage
29 tank systems must be upgraded prior to January 1, 2010, and

30 WHEREAS, it is in the state's best interest to
31 encourage early replacement of such systems, and

1 WHEREAS, it is in the state's best interest to provide
2 financial assistance for limited source removal at the time of
3 the system's replacement, and

4 WHEREAS, it is in the state's best interest to provide
5 for a method of payment for large-scale cleanups in the future
6 so as to minimize the impact on other cleanups that are
7 underway, NOW, THEREFORE,

8
9 Be It Enacted by the Legislature of the State of Florida:

10
11 Section 1. Subsections (4) and (5) of section
12 376.3071, Florida Statutes, are amended to read:

13 376.3071 Inland Protection Trust Fund; creation;
14 purposes; funding.--

15 (4) USES.--Whenever, in its determination, incidents
16 of inland contamination related to the storage of petroleum or
17 petroleum products may pose a threat to the environment or the
18 public health, safety, or welfare, the department shall
19 obligate moneys available in the fund to provide for:

20 (a) Prompt investigation and assessment of
21 contamination sites.

22 (b) Expeditious restoration or replacement of potable
23 water supplies as provided in s. 376.30(3)(c)1.

24 (c) Rehabilitation of contamination sites, which shall
25 consist of cleanup of affected soil, groundwater, and inland
26 surface waters, using the most cost-effective alternative that
27 is technologically feasible and reliable and that provides
28 adequate protection of the public health, safety, and welfare
29 and minimizes environmental damage, in accordance with the
30 site selection and cleanup criteria established by the
31 department under subsection (5), except that nothing herein

1 shall be construed to authorize the department to obligate
2 funds for payment of costs which may be associated with, but
3 are not integral to, site rehabilitation, such as the cost for
4 retrofitting or replacing petroleum storage systems.

5 (d) Maintenance and monitoring of contamination sites.

6 (e) Inspection and supervision of activities described
7 in this subsection.

8 (f) Payment of expenses incurred by the department in
9 its efforts to obtain from responsible parties the payment or
10 recovery of reasonable costs resulting from the activities
11 described in this subsection.

12 (g) Payment of any other reasonable costs of
13 administration, including those administrative costs incurred
14 by the Department of Health in providing field and laboratory
15 services, toxicological risk assessment, and other assistance
16 to the department in the investigation of drinking water
17 contamination complaints and costs associated with public
18 information and education activities.

19 (h) Establishment and implementation of the compliance
20 verification program as authorized in s. 376.303(1)(a),
21 including contracting with local governments or state agencies
22 to provide for the administration of such program through
23 locally administered programs, to minimize the potential for
24 further contamination sites.

25 (i) Funding of the provisions of ss. 376.305(6) and
26 376.3072.

27 (j) Activities related to removal and replacement of
28 petroleum storage systems, exclusive of costs of any tank,
29 piping, dispensing unit, or related hardware, if soil removal
30 is preapproved as a component of site rehabilitation and
31 requires removal of the tank where remediation is conducted

1 | under s. 376.30711 or if such activities were justified in an
2 | approved remedial action plan performed pursuant to subsection
3 | (12).

4 | (k) Activities related to reimbursement application
5 | preparation and activities related to reimbursement
6 | application examination by a certified public accountant
7 | pursuant to subsection (12).

8 | (l) Reasonable costs of restoring property as nearly
9 | as practicable to the conditions which existed prior to
10 | activities associated with contamination assessment or
11 | remedial action taken under s. 376.303(4).

12 | (m) Repayment of loans to the fund.

13 | (n) Expenditure of sums from the fund to cover
14 | ineligible sites or costs as set forth in subsection (13), if
15 | the department in its discretion deems it necessary to do so.
16 | In such cases, the department may seek recovery and
17 | reimbursement of costs in the same manner and in accordance
18 | with the same procedures as are established for recovery and
19 | reimbursement of sums otherwise owed to or expended from the
20 | fund.

21 | (o) Payment of amounts payable under any service
22 | contract entered into by the department pursuant to s.
23 | 376.3075, subject to annual appropriation by the Legislature.

24 |

(p) Petroleum remediation pursuant to s. 376.30711
25 | throughout a state fiscal year. The department shall establish
26 | a process to uniformly encumber appropriated funds throughout
27 | a state fiscal year and shall allow for emergencies and
28 | imminent threats to human health and the environment as
29 | provided in paragraph (5)(a). This paragraph does not apply to
30 | appropriations associated with the free product recovery

31 |

1 initiative of paragraph (5)(c) or the preapproved advance
2 cleanup program of s. 376.30713.

3
4 The Inland Protection Trust Fund may only be used to fund the
5 activities in ss. 376.30-376.319 except ss. 376.3078 and
6 376.3079. Amounts on deposit in the Inland Protection Trust
7 Fund in each fiscal year shall first be applied or allocated
8 for the payment of amounts payable by the department pursuant
9 to paragraph (o) under a service contract entered into by the
10 department pursuant to s. 376.3075 and appropriated in each
11 year by the Legislature prior to making or providing for other
12 disbursements from the fund. Nothing in this subsection shall
13 authorize the use of the Inland Protection Trust Fund for
14 cleanup of contamination caused primarily by a discharge of
15 solvents as defined in s. 206.9925(6), or polychlorinated
16 biphenyls when their presence causes them to be hazardous
17 wastes, except solvent contamination which is the result of
18 chemical or physical breakdown of petroleum products and is
19 otherwise eligible. Facilities used primarily for the storage
20 of motor or diesel fuels as defined in ss. 206.01 and 206.86
21 shall be presumed not to be excluded from eligibility pursuant
22 to this section.

23 (5) SITE SELECTION AND CLEANUP CRITERIA.--

24 (a) The department shall adopt rules to establish
25 priorities based upon a scoring system for state-conducted
26 cleanup at petroleum contamination sites based upon factors
27 that include, but need not be limited to:

- 28 1. The degree to which human health, safety, or
29 welfare may be affected by exposure to the contamination;
- 30 2. The size of the population or area affected by the
31 contamination;

1 3. The present and future uses of the affected aquifer
2 or surface waters, with particular consideration as to the
3 probability that the contamination is substantially affecting,
4 or will migrate to and substantially affect, a known public or
5 private source of potable water; and

6 4. The effect of the contamination on the environment.
7

8 Moneys in the fund shall then be obligated for activities
9 described in paragraphs (4)(a)-(e) at individual sites in
10 accordance with such established criteria. However, nothing
11 in this paragraph shall be construed to restrict the
12 department from modifying the priority status of a
13 rehabilitation site where conditions warrant, taking into
14 consideration the actual distance between the contamination
15 site and groundwater or surface water receptors or other
16 factors that affect the risk of exposure to petroleum
17 products' chemicals of concern. The department may use the
18 effective date of a department final order granting
19 eligibility pursuant to subsections (9) and (13) and ss.
20 376.305(6) and 376.3072 to establish a prioritization system
21 within a particular priority scoring range.

22 (b) It is the intent of the Legislature to protect the
23 health of all people under actual circumstances of exposure.
24 The secretary shall establish criteria by rule for the purpose
25 of determining, on a site-specific basis, the rehabilitation
26 program tasks that comprise a site rehabilitation program and
27 the level at which a rehabilitation program task and a site
28 rehabilitation program may be deemed completed. In
29 establishing the rule, the department shall incorporate, to
30 the maximum extent feasible, risk-based corrective action
31 principles to achieve protection of human health and safety

1 and the environment in a cost-effective manner as provided in
2 this subsection. Criteria for determining what constitutes a
3 rehabilitation program task or completion of site
4 rehabilitation program tasks and site rehabilitation programs
5 shall be based upon the factors set forth in paragraph (a) and
6 the following additional factors:

7 1. The current exposure and potential risk of exposure
8 to humans and the environment including multiple pathways of
9 exposure.

10 2. The appropriate point of compliance with cleanup
11 target levels for petroleum products' chemicals of concern.
12 The point of compliance shall be at the source of the
13 petroleum contamination. However, the department is
14 authorized to temporarily move the point of compliance to the
15 boundary of the property, or to the edge of the plume when the
16 plume is within the property boundary, while cleanup,
17 including cleanup through natural attenuation processes in
18 conjunction with appropriate monitoring, is proceeding. The
19 department also is authorized, pursuant to criteria provided
20 for in this paragraph, to temporarily extend the point of
21 compliance beyond the property boundary with appropriate
22 monitoring, if such extension is needed to facilitate natural
23 attenuation or to address the current conditions of the plume,
24 provided human health, public safety, and the environment are
25 adequately protected. Temporary extension of the point of
26 compliance beyond the property boundary, as provided in this
27 subparagraph, shall include notice to local governments and
28 owners of any property into which the point of compliance is
29 allowed to extend.

30 3. The appropriate site-specific cleanup goal. The
31 site-specific cleanup goal shall be that all petroleum

1 | contamination sites ultimately achieve the applicable cleanup
2 | target levels provided in this paragraph. However, the
3 | department is authorized to allow concentrations of the
4 | petroleum products' chemicals of concern to temporarily exceed
5 | the applicable cleanup target levels while cleanup, including
6 | cleanup through natural attenuation processes in conjunction
7 | with appropriate monitoring, is proceeding, provided human
8 | health, public safety, and the environment are adequately
9 | protected.

10 | 4. The appropriateness of using institutional or
11 | engineering controls. Site rehabilitation programs may
12 | include the use of institutional or engineering controls to
13 | eliminate the potential exposure to petroleum products'
14 | chemicals of concern to humans or the environment. Use of
15 | such controls must be preapproved by the department and
16 | institutional controls shall not be acquired with funds from
17 | the Inland Protection Trust Fund. When institutional or
18 | engineering controls are implemented to control exposure, the
19 | removal of such controls must have prior department approval
20 | and must be accompanied immediately by the resumption of
21 | active cleanup, or other approved controls, unless cleanup
22 | target levels pursuant to this paragraph have been achieved.

23 | 5. The additive effects of the petroleum products'
24 | chemicals of concern. The synergistic effects of petroleum
25 | products' chemicals of concern shall also be considered when
26 | the scientific data becomes available.

27 | 6. Individual site characteristics which shall
28 | include, but not be limited to, the current and projected use
29 | of the affected groundwater in the vicinity of the site,
30 | current and projected land uses of the area affected by the
31 | contamination, the exposed population, the degree and extent

1 of contamination, the rate of contaminant migration, the
2 apparent or potential rate of contaminant degradation through
3 natural attenuation processes, the location of the plume, and
4 the potential for further migration in relation to site
5 property boundaries.

6 7. Applicable state water quality standards.

7 a. Cleanup target levels for petroleum products'
8 chemicals of concern found in groundwater shall be the
9 applicable state water quality standards. Where such standards
10 do not exist, the cleanup target levels for groundwater shall
11 be based on the minimum criteria specified in department rule.
12 The department shall consider the following, as appropriate,
13 in establishing the applicable minimum criteria: calculations
14 using a lifetime cancer risk level of 1.0E-6; a hazard index
15 of 1 or less; the best achievable detection limit; the
16 naturally occurring background concentration; or nuisance,
17 organoleptic, and aesthetic considerations.

18 b. Where surface waters are exposed to petroleum
19 contaminated groundwater, the cleanup target levels for the
20 petroleum products' chemicals of concern shall be based on the
21 surface water standards as established by department rule.
22 The point of measuring compliance with the surface water
23 standards shall be in the groundwater immediately adjacent to
24 the surface water body.

25 8. Whether deviation from state water quality
26 standards or from established criteria is appropriate. The
27 department may issue a "No Further Action Order" based upon
28 the degree to which the desired cleanup target level is
29 achievable and can be reasonably and cost-effectively
30 implemented within available technologies or engineering and
31 institutional control strategies. Where a state water quality

1 standard is applicable, a deviation may not result in the
2 application of cleanup target levels more stringent than said
3 standard. In determining whether it is appropriate to
4 establish alternate cleanup target levels at a site, the
5 department may consider the effectiveness of source removal
6 that has been completed at the site and the practical
7 likelihood of: the use of low yield or poor quality
8 groundwater; the use of groundwater near marine surface water
9 bodies; the current and projected use of the affected
10 groundwater in the vicinity of the site; or the use of
11 groundwater in the immediate vicinity of the storage tank
12 area, where it has been demonstrated that the groundwater
13 contamination is not migrating away from such localized
14 source; provided human health, public safety, and the
15 environment are adequately protected.

16 9. Appropriate cleanup target levels for soils.

17 a. In establishing soil cleanup target levels for
18 human exposure to petroleum products' chemicals of concern
19 found in soils from the land surface to 2 feet below land
20 surface, the department shall consider the following, as
21 appropriate: calculations using a lifetime cancer risk level
22 of 1.0E-6; a hazard index of 1 or less; the best achievable
23 detection limit; or the naturally occurring background
24 concentration.

25 b. Leachability-based soil target levels shall be
26 based on protection of the groundwater cleanup target levels
27 or the alternate cleanup target levels for groundwater
28 established pursuant to this paragraph, as appropriate.
29 Source removal and other cost-effective alternatives that are
30 technologically feasible shall be considered in achieving the
31 leachability soil target levels established by the department.

1 The leachability goals shall not be applicable if the
2 department determines, based upon individual site
3 characteristics, that petroleum products' chemicals of concern
4 will not leach into the groundwater at levels which pose a
5 threat to human health and safety or the environment.

6
7 However, nothing in this paragraph shall be construed to
8 restrict the department from temporarily postponing completion
9 of any site rehabilitation program for which funds are being
10 expended whenever such postponement is deemed necessary in
11 order to make funds available for rehabilitation of a
12 contamination site with a higher priority status.

13 (c) The department shall require source removal, if
14 warranted and cost-effective, at each site eligible for
15 restoration funding from the Inland Protection Trust Fund.

16 1. Funding for free product recovery may be provided
17 in advance of the order established by the priority ranking
18 system under ~~pursuant to~~ paragraph (a) for site cleanup
19 activities. However, a separate prioritization for free
20 product recovery shall be established consistent with ~~the~~
21 ~~provisions of~~ paragraph (a). No more than \$5 million shall be
22 encumbered from the Inland Protection Trust Fund in any fiscal
23 year for free product recovery conducted in advance of the
24 priority order under ~~pursuant to~~ paragraph (a) established for
25 site cleanup activities.

26 2. Funding for limited interim soil-source removals
27 for sites that will become inaccessible for future remediation
28 due to road infrastructure and right-of-way restrictions
29 resulting from a pending Department of Transportation road
30 construction project or for secondary containment upgrading of
31 underground storage tanks required under Rule

1 62-761.510(2)(d), Florida Administrative Code, may be provided
2 in advance of the order established by the priority ranking
3 system under paragraph (a) for site cleanup activities. The
4 department shall provide written guidance on the limited
5 source removal information and technical evaluation necessary
6 to justify a request for a limited source removal in advance
7 of the priority order pursuant to paragraph (a) established
8 for site cleanup activities. Prioritization for limited source
9 removal projects associated with a secondary containment
10 upgrade in any fiscal year shall be determined on a
11 first-come, first-served basis according to the approval date
12 issued under s. 376.30711 for the limited source removal.
13 Funding for limited source removals associated with secondary
14 containment upgrades shall be limited to 10 sites in each
15 fiscal year for each facility owner and any related person.
16 The limited source removal for secondary containment upgrades
17 shall be completed no later than 6 months after the department
18 issues its approval of the project and the approval
19 automatically expires at the end of the 6 months. Funding for
20 Department of Transportation and secondary containment upgrade
21 source removals may not exceed \$50,000 for a single facility
22 unless the department makes a determination that it is
23 cost-effective and environmentally beneficial to exceed this
24 amount, but in no event shall the department authorize costs
25 in excess of \$100,000 for a single facility. Department
26 funding for limited interim soil-source removals associated
27 with Department of Transportation projects and secondary
28 containment upgrades shall be limited to supplemental soil
29 assessment, soil screening, soil removal, backfill material,
30 treatment or disposal of the contaminated soil, dewatering
31 related to the contaminated soil removal in an amount of up to

1 10 percent of the total project costs, treatment, and disposal
2 of the contaminated groundwater and preparation of the source
3 removal report. No other costs associated with the facility
4 upgrade may be paid with department funds. No more than \$1
5 million for Department of Transportation limited source
6 removal projects and \$10 million for secondary containment
7 upgrade limited source removal projects conducted in advance
8 of the priority order established under paragraph (a) for site
9 cleanup activities shall be encumbered from the Inland
10 Protection Trust Fund in any fiscal year. This subparagraph is
11 repealed effective June 30, 2008.

12 3. Once free product removal and other source removal
13 identified in this paragraph are completed at a site, and
14 notwithstanding the order established by the priority ranking
15 system under paragraph (a) for site cleanup activities is
16 ~~complete~~, the department ~~may shall~~ reevaluate the site to
17 determine the degree of active cleanup needed to continue site
18 rehabilitation. Further, the department shall determine if
19 the reevaluated site qualifies for natural attenuation
20 monitoring ~~only~~ or if no further action ~~is required to~~
21 ~~rehabilitate the site~~. If additional site rehabilitation is
22 necessary to reach no further action status, the site
23 rehabilitation shall be conducted in the order established by
24 the priority ranking system under paragraph (a) and the
25 department is encouraged to utilize natural attenuation and
26 monitoring where site conditions warrant.

27 Section 2. Subsection (1) of section 376.30713,
28 Florida Statutes, is amended to read:

29 376.30713 Preapproved advanced cleanup.--

30 (1) In addition to the legislative findings provided
31 in s. 376.30711, the Legislature finds and declares:

1 (a) That the inability to conduct site rehabilitation
2 in advance of a site's priority ranking pursuant to s.
3 376.3071(5)(a) may substantially impede or prohibit property
4 transactions or the proper completion of public works
5 projects.

6 (b) While the first priority of the state is to
7 provide for protection of the water resources of the state,
8 human health, and the environment, the viability of commerce
9 is of equal importance to the state.

10 (c) It is in the public interest and of substantial
11 economic benefit to the state to provide an opportunity for
12 site rehabilitation to be conducted on a limited basis at
13 contaminated sites, in advance of the site's priority ranking,
14 to facilitate property transactions or public works projects.

15 (d) It is appropriate for persons responsible for site
16 rehabilitation to share the costs associated with managing and
17 conducting preapproved advanced cleanup, to facilitate the
18 opportunity for preapproved advanced cleanup, and to mitigate
19 the additional costs that will be incurred by the state in
20 conducting site rehabilitation in advance of the site's
21 priority ranking. Such cost sharing will result in more
22 contaminated sites being cleaned up and greater environmental
23 benefits to the state. The provisions of this section shall
24 only be available for sites eligible for restoration funding
25 under EDI, ATRP, or PLIRP. This section is available for
26 discharges eligible for restoration funding under the
27 petroleum cleanup participation program for the state's cost
28 share of site rehabilitation. Applications shall include a
29 cost-sharing commitment for this section in addition to the
30 25-percent-copayment requirement of the petroleum cleanup
31 participation program. This section is not available for any

1 discharge under a petroleum cleanup participation program
2 where the 25-percent-copayment requirement of the petroleum
3 cleanup participation program has been reduced or eliminated
4 pursuant to s. 376.3071(13)(c).

5 Section 3. Section 376.3075, Florida Statutes, is
6 amended to read:

7 376.3075 Inland Protection Financing Corporation.--

8 (1) There is hereby created a nonprofit public benefit
9 corporation to be known as the "Inland Protection Financing
10 Corporation" for the purpose of financing the rehabilitation
11 of petroleum contamination sites pursuant to ss.

12 376.30-376.319 and the payment, purchase, and settlement of
13 reimbursement obligations of the department pursuant to s.
14 376.3071(12), existing as of December 31, 1996. Such
15 reimbursement obligations are referred to in this section as
16 existing reimbursement obligations. The corporation shall
17 terminate on July 1, 2025 ~~2011~~.

18 (2) The corporation shall be governed by a board of
19 directors consisting of the Governor or the Governor's
20 designee, the Chief Financial Officer or the Chief Financial
21 Officer's designee, the chair of the Florida Black Business
22 Investment Board, and the secretary of the Department of
23 Environmental Protection. The executive director of the State
24 Board of Administration shall be the chief executive officer
25 of the corporation and shall direct and supervise the
26 administrative affairs of the corporation and shall control,
27 direct, and supervise the operation of the corporation. The
28 corporation shall also have such other officers as may be
29 determined by the board of directors.

30 (3) The corporation shall have all the powers of a
31 corporate body under the laws of the state to the extent not

1 inconsistent with or restricted by the provisions of this
2 section, including, but not limited to, the power to:

3 (a) Adopt, amend, and repeal bylaws not inconsistent
4 with this section.

5 (b) Sue and be sued.

6 (c) Adopt and use a common seal.

7 (d) Acquire, purchase, hold, lease, and convey such
8 real and personal property as may be proper or expedient to
9 carry out the purposes of the corporation and this section,
10 and to sell, lease, or otherwise dispose of such property.

11 (e) Elect or appoint and employ such officers, agents,
12 and employees as the corporation deems advisable to operate
13 and manage the affairs of the corporation, which officers,
14 agents, and employees may be officers or employees of the
15 department and the state agencies represented on the board of
16 directors of the corporation.

17 (f) Borrow money and issue notes, bonds, certificates
18 of indebtedness, or other obligations or evidences of
19 indebtedness necessary to pay the backlog or to reimburse
20 moneys from the Inland Protection Trust Fund used pursuant to
21 subsection (6) and to pay for large-scale cleanups, such as
22 ports, airports, and terminal facilities, which are eligible
23 for state funding.

24 (g) Make and execute any and all contracts, trust
25 agreements, and other instruments and agreements necessary or
26 convenient to accomplish the purposes of the corporation and
27 this section.

28 (h) Select, retain, and employ professionals,
29 contractors, or agents, which may include the Florida State
30 Board of Administration's Division of Bond Finance, as shall
31 be necessary or convenient to enable or assist the corporation

1 in carrying out the purposes of the corporation and this
2 section.

3 (i) Do any act or thing necessary or convenient to
4 carry out the purposes of the corporation and this section and
5 the powers provided in this section.

6 (4) The corporation is authorized to enter into one or
7 more service contracts with the department pursuant to which
8 the corporation shall provide services to the department in
9 connection with financing the functions and activities
10 provided for in ss. 376.30-376.319. The department may enter
11 into one or more such service contracts with the corporation
12 and to provide for payments under such contracts pursuant to
13 s. 376.3071(4)(o), subject to annual appropriation by the
14 Legislature. The proceeds from such service contracts may be
15 used for the costs and expenses of administration of the
16 corporation after payments as set forth in subsection (5).
17 Each service contract shall have a term not to exceed 10 years
18 and shall terminate no later than July 1, 2025 ~~2011~~. The
19 aggregate amount payable from the Inland Protection Trust Fund
20 under all such service contracts shall not exceed \$65 million
21 in any state fiscal year. Amounts annually appropriated and
22 applied to make payments under such service contracts shall
23 not include any funds derived from penalties or other payments
24 received from any property owner or private party, including
25 payments received from s. 376.3071(6)(b). In compliance with
26 provisions of s. 287.0641 and other applicable provisions of
27 law, the obligations of the department under such service
28 contracts shall not constitute a general obligation of the
29 state or a pledge of the faith and credit or taxing power of
30 the state nor shall such obligations be construed in any
31 manner as an obligation of the State Board of Administration

1 or entities for which it invests funds, other than the
2 department as provided in this section, but shall be payable
3 solely from amounts available in the Inland Protection Trust
4 Fund, subject to annual appropriation. In compliance with
5 this subsection and s. 287.0582, the service contract shall
6 expressly include the following statement: "The State of
7 Florida's performance and obligation to pay under this
8 contract is contingent upon an annual appropriation by the
9 Legislature."

10 (5) The corporation may issue and incur notes, bonds,
11 certificates of indebtedness, or other obligations or
12 evidences of indebtedness payable from and secured by amounts
13 payable to the corporation by the department under a service
14 contract entered into pursuant to subsection (4) for the
15 purpose of paying, purchasing, or settling existing
16 reimbursement obligations. The term of any such note, bond,
17 certificate of indebtedness, or other obligation or evidence
18 of indebtedness shall not have a financing term that exceeds 6
19 years, nor shall the total payments for principal and interest
20 on any such note, bond, certificate of indebtedness, or other
21 obligation or evidence of indebtedness exceed the original
22 amount of approved reimbursement claims to be paid, purchased,
23 or settled by the corporation by more than \$50 million. The
24 corporation may select its financing team and issue its
25 obligations through competitive bidding or negotiated
26 contracts, whichever is most cost-effective. Any such
27 indebtedness of the corporation shall not constitute a debt or
28 obligation of the state or a pledge of the faith and credit or
29 taxing power of the state, but shall be payable from and
30 secured by payments made by the department under the service
31 contract pursuant to s. 376.3071(4)(o).

1 (6) Upon the issuance of debt obligations by the
2 corporation pursuant to subsection (5) for the payment,
3 purchase, or settlement of existing reimbursement obligations,
4 amounts on deposit in the Inland Protection Trust Fund shall
5 not be available for the payment, purchase, or settlement of
6 existing reimbursement obligations to the extent proceeds of
7 such debt obligations are available for the payment of such
8 existing reimbursement obligations. If, after the initial
9 issuance of debt obligations pursuant to subsection (5),
10 amounts on deposit in the Inland Protection Trust Fund are
11 used to pay existing reimbursement obligations, the
12 corporation shall reimburse the Inland Protection Trust Fund
13 for such payments from available proceeds of debt obligations
14 issued pursuant to subsection (5). Payment, purchase, or
15 settlement by the corporation of existing reimbursement
16 obligations otherwise payable pursuant to s. 376.3071(12)
17 shall satisfy the obligation of the department to make such
18 payments. Any such existing reimbursement obligations
19 purchased by the corporation shall be satisfied and
20 extinguished upon purchase by the corporation.

21 (7) The corporation shall pay, purchase, or settle
22 existing reimbursement obligations as determined by the
23 department. The department shall implement the repayment
24 priorities and method and amount of payments pursuant to s.
25 376.3071(12). However, any claims for reimbursement pursuant
26 to s. 376.3071(12) that the corporation is unable to pay
27 because of the limitations contained in subsection (5) shall
28 be paid by the department from the receipts of the Inland
29 Protection Trust Fund.

30 (8) The fulfillment of the purposes of the corporation
31 promotes the health, safety, and general welfare of the people

1 of the state and serves as essential governmental functions
2 and a paramount public purpose.

3 (9) The corporation is exempt from taxation and
4 assessments of any nature whatsoever upon its income and any
5 property, assets, or revenues acquired, received, or used in
6 the furtherance of the purposes provided in this chapter. The
7 obligations of the corporation incurred pursuant to subsection
8 (5) and the interest and income thereon and all security
9 agreements, letters of credit, liquidity facilities, or other
10 obligations or instruments arising out of, entered into in
11 connection therewith, or given to secure payment thereof are
12 exempt from all taxation, provided such exemption does not
13 apply to any tax imposed by chapter 220 on the interest,
14 income, or profits on debt obligations owned by corporations.

15 (10) The corporation shall validate obligations to be
16 incurred pursuant to subsection (5) and the validity and
17 enforceability of any service contracts providing for payments
18 pledged to the payment thereof by proceedings under chapter
19 75. The validation complaint shall be filed only in the
20 Circuit Court for Leon County. The notice required to be
21 published by s. 75.06 shall be published in Leon County and
22 the complaint and order of the circuit court shall be served
23 only on the State Attorney for the Second Judicial Circuit.
24 Sections 75.04(2) and 75.06(2) shall not apply to a complaint
25 for validation filed as authorized in this subsection. The
26 validation of at least the first obligations incurred pursuant
27 to subsection (5) shall be appealed to the Supreme Court, to
28 be handled on an expedited basis.

29 (11) The corporation shall not be deemed to be a
30 special district for purposes of chapter 189 or a unit of
31 local government for purposes of part III of chapter 218. The

1 provisions of chapters 120 and 215, except the limitation on
2 interest rates provided by s. 215.84 which applies to
3 obligations of the corporation issued pursuant to this
4 section, and part I of chapter 287, except ss. 287.0582 and
5 287.0641, shall not apply to this section, the corporation
6 created hereby, the service contracts entered into pursuant to
7 this section, or to debt obligations issued by the corporation
8 as contemplated in this section.

9 (12) In no event shall any of the benefits or earnings
10 of the corporation inure to the benefit of any private person.

11 (13) Upon dissolution of the corporation, title to all
12 property owned by the corporation shall revert to the state.

13 (14) The corporation may contract with the State Board
14 of Administration to serve as trustee with respect to debt
15 obligations issued by the corporation as contemplated by this
16 section and to hold, administer, and invest proceeds of such
17 debt obligations and other funds of the corporation and to
18 perform other services required by the corporation. The State
19 Board of Administration may perform such services and may
20 contract with others to provide all or a part of such services
21 and to recover its and such other costs and expenses thereof.

22 Section 4. This act shall take effect July 1, 2005.
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25 SENATE SUMMARY

26 Authorizes the Department of Environmental Protection to
27 use moneys in the Inland Protection Trust Fund for
28 petroleum remediation. Requires that the department
29 establish cleanup priorities based on a scoring system.
30 Authorizes certain limited source removal for secondary
31 containment upgrades. Provides that provisions
authorizing certain preapproved advanced cleanup apply to
a discharge under the petroleum cleanup participation
program. Provides for the Inland Protection Financing
Corporation to fund certain large-scale cleanups. Extends
the termination date of the corporation until 2025. (See
bill for details.)