

**First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 25-1036.01 Clare Haffner x6137

SENATE BILL 25-286

SENATE SPONSORSHIP

Hinrichsen and Snyder,

HOUSE SPONSORSHIP

(None),

Senate Committees

Transportation & Energy

House Committees

A BILL FOR AN ACT

101 **CONCERNING MONEY COLLECTED BY THE STATE IN RELATION TO**
102 **PETROLEUM PRODUCTS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill:

- Authorizes the use of money in the petroleum storage tank fund for costs related to relocation or redevelopment of the division of oil and public safety's petroleum laboratory;
- Allows the division of oil and public safety to impose a civil penalty of not more than \$5,000 for a violation of a

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

- fuel quality standard for reformulated gasoline; and
Reduces the current maximum civil penalty amount for a violation of certain record-keeping requirements by a person that owns or operates a gasoline dispensing facility to \$500 per violation.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 8-20.5-103, **add**
3 (3)(h) and (3.3) as follows:

4 **8-20.5-103. Petroleum storage tank fund - petroleum cleanup**
5 **and redevelopment fund - creation - rules - repeal.** (3) The money in
6 the petroleum storage tank fund is continuously appropriated to the
7 division of oil and public safety; except that the expenditure of money for
8 the purposes specified in subsections (3)(b), (3)(f), and (3)(g) of this
9 section is subject to annual appropriation by the general assembly. The
10 fund shall be used for:

11 (h) (I) COSTS RELATED TO RELOCATION OR REDEVELOPMENT OF
12 THE DIVISION OF OIL AND PUBLIC SAFETY'S PETROLEUM LABORATORY.

13 (II) THIS SUBSECTION (3)(h) IS REPEALED, EFFECTIVE JULY 1, 2030.

14 (3.3) (a) THE DIVISION OF OIL AND PUBLIC SAFETY SHALL RESERVE
15 MONEY IN THE PETROLEUM STORAGE TANK FUND CREATED IN SUBSECTION
16 (1) OF THIS SECTION TO PAY COSTS RELATED TO RELOCATION OR
17 REDEVELOPMENT OF THE DIVISION'S PETROLEUM LABORATORY PURSUANT
18 TO SUBSECTION (3)(h) OF THIS SECTION.

19 (b) MONEY RESERVED IN THE PETROLEUM STORAGE TANK FUND IN
20 ACCORDANCE WITH SUBSECTION (3.3)(a) OF THIS SECTION IS NOT
21 INCLUDED IN THE AVAILABLE BALANCE OF THE FUND, AS CALCULATED
22 PURSUANT TO SECTION 8-20-206.5 (1)(b).

23 (c) THIS SUBSECTION (3.3) IS REPEALED, EFFECTIVE JULY 1, 2030.

1 **SECTION 2.** In Colorado Revised Statutes, 8-20-206.5, **amend**
2 (4) introductory portion and (4)(a) as follows:

3 **8-20-206.5. Environmental response surcharge - liquefied**
4 **petroleum gas and natural gas inspection fund - perfluoroalkyl and**
5 **polyfluoroalkyl substances cash fund - hazardous materials**
6 **infrastructure cash fund - fuels impact reduction grant program -**
7 **definitions - repeal.** (4) ~~For the purposes of AS USED IN~~ this section:

8 (a) (I) "Available fund balance" means the sum of the current year
9 revenues and the previous fund balance minus the sum of the obligations
10 approved by the petroleum storage tank committee pursuant to section
11 8-20.5-104 and the costs incurred by the division of oil and public safety
12 for purposes of administering articles 20 and 20.5 of this ~~title~~ TITLE 8.

13 (II) (A) "AVAILABLE FUND BALANCE" DOES NOT INCLUDE MONEY
14 RESERVED IN THE PETROLEUM STORAGE TANK FUND IN ACCORDANCE WITH
15 SECTION 8-20.5-103 (3.3) TO PAY COSTS RELATED TO RELOCATION OR
16 REDEVELOPMENT OF THE DIVISION OF OIL AND PUBLIC SAFETY'S
17 PETROLEUM LABORATORY.

18 (B) THIS SUBSECTION (4)(a)(II) IS REPEALED, EFFECTIVE JULY 1,
19 2030.

20 **SECTION 3.** In Colorado Revised Statutes, 8-20-104, **add** (4)(c)
21 as follows:

22 **8-20-104. Enforcement of law - penalties - definitions.**

23 (4) (c) (I) NOTWITHSTANDING SUBSECTION (4)(a) OF THIS SECTION, WHEN
24 THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY REQUIRES THE SALE
25 OF REFORMULATED GASOLINE IN A NONATTAINMENT AREA IN THE STATE,
26 THE DIRECTOR OF THE DIVISION OF OIL AND PUBLIC SAFETY MAY IMPOSE
27 A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS PER DAY FOR

1 THE RETAIL OR WHOLESALE DISTRIBUTION OF REFORMULATED GASOLINE
2 THAT VIOLATES THE APPLICABLE FUEL QUALITY SPECIFICATION. IT IS AN
3 AFFIRMATIVE DEFENSE THAT A RETAILER OR LICENSED FUEL DISTRIBUTOR
4 RELIED ON A PRODUCT TRANSFER DOCUMENT THAT CLEARLY
5 DEMONSTRATES A COMPLIANT FUEL SPECIFICATION.

6 (II) AS USED IN THIS SUBSECTION (4)(c), "NONATTAINMENT AREA"
7 HAS THE MEANING SET FORTH IN SECTION 24-38.5-116 (2)(h).

8 **SECTION 4.** In Colorado Revised Statutes, 25-7-122, **add**
9 (1)(g.5) as follows:

10 **25-7-122. Civil penalties - rules - definitions.** (1) Upon
11 application of the division, the division may collect penalties as
12 determined under this article 7 by instituting an action in the district court
13 for the district in which the air pollution source affected is located, in
14 accordance with the following provisions:

15 (g.5) NOTWITHSTANDING SUBSECTION (1)(g) OF THIS SECTION, A
16 PERSON THAT OWNS OR OPERATES A GASOLINE DISPENSING FACILITY THAT
17 VIOLATES A REQUIREMENT TO FILE AN AIR POLLUTANT EMISSION NOTICE
18 PURSUANT TO SECTION 25-7-114.1 OR AN AIR PERMIT PUBLIC NOTICE
19 PURSUANT TO COMMISSION REQUIREMENTS SHALL BE SUBJECT TO A CIVIL
20 PENALTY OF NOT MORE THAN FIVE HUNDRED DOLLARS.

21 **SECTION 5. Act subject to petition - effective date -**
22 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
23 the expiration of the ninety-day period after final adjournment of the
24 general assembly; except that, if a referendum petition is filed pursuant
25 to section 1 (3) of article V of the state constitution against this act or an
26 item, section, or part of this act within such period, then the act, item,
27 section, or part will not take effect unless approved by the people at the

1 general election to be held in November 2026 and, in such case, will take
2 effect on the date of the official declaration of the vote thereon by the
3 governor.

4 (2) This act applies to violations committed on or after the
5 applicable effective date of this act.