

Fifty-seventh
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1391

Introduced by

Representatives Wald, Aarsvold, Galvin, Weiler

Senators Lindaas, Stenehjem

1 A BILL for an Act to amend and reenact sections 23-37-01, 23-37-02, 23-37-03, 23-37-04,
2 23-37-05, 23-37-06, 23-37-07, 23-37-08, 23-37-09, 23-37-10, 23-37-11, 23-37-12, 23-37-13,
3 23-37-14, 23-37-15, 23-37-16, 23-37-17, 23-37-18, 23-37-19, 23-37-20, 23-37-21, 23-37-22,
4 23-37-23, 23-37-24, 23-37-25, 23-37-26, 23-37-27, 23-37-28, 23-37-29, and 23-37-30 of the
5 North Dakota Century Code, relating to petroleum release remediation.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1. AMENDMENT.** Section 23-37-01 of the 1999 Supplement to the North
8 Dakota Century Code is amended and reenacted as follows:

9 **23-37-01. (Effective through July 31, ~~2009~~ 2011) Declaration of purpose.** The
10 purpose of this chapter is to establish:

- 11 1. A petroleum tank release compensation fund; and
12 2. A petroleum tank release compensation advisory board authorized to review
13 claims against the fund.

14 **SECTION 2. AMENDMENT.** Section 23-37-02 of the 1999 Supplement to the North
15 Dakota Century Code is amended and reenacted as follows:

16 **23-37-02. (Effective through July 31, ~~2009~~ 2011) Definitions.** As used in this
17 chapter, unless the context otherwise requires:

- 18 1. "Actually incurred" means in the case of corrective action expenditures, that the
19 owner, the operator, the landowner, an insurer ~~of the owner or operator~~, or a
20 contractor hired by the owner, operator, or insurer ~~has made a payment or that a~~
21 ~~contractor~~ the landlord has expended time and materials and that only that person
22 is receiving reimbursement from the fund.
23 2. "Administrator" means the manager of the state fire and tornado fund.
24 3. "Board" means the petroleum release compensation ~~advisory~~ board.

- 1 4. "Commissioner" means the insurance commissioner.
- 2 4- 5. "Corrective action" means an action ~~taken to~~ required by the department to
3 minimize, contain, eliminate, remediate, mitigate, or clean up a release, including
4 any remedial emergency measures. ~~The term also includes compensation paid to~~
5 ~~third parties for bodily injury or property damage which is determined by the board~~
6 ~~to be eligible for reimbursement.~~ The term does not include the repair or
7 replacement of equipment or preconstructed property.
- 8 5- 6. "Dealer" means any person licensed by the tax commissioner to sell motor vehicle
9 fuel or special fuels within the state.
- 10 6- 7. "Department" means the state department of health.
- 11 7- 8. "Fund" means the petroleum release compensation fund.
- 12 8- 9. "Operator" means any person in control of, or having responsibility for, the daily
13 operation of a tank under this chapter.
- 14 9- 10. "Owner" means any person who holds title to, controls, or possesses an interest in
15 the tank before the discontinuation of its use.
- 16 10- 11. "Person" means an individual, trust, firm, joint stock company, federal agency,
17 corporation, state, municipality, commission, political subdivision of a state, or any
18 interstate body. The term also includes a consortium, a joint venture, a
19 commercial entity, and the United States government.
- 20 11- 12. "Petroleum" means any of the following:
21 a. Gasoline and petroleum products as defined in chapter 19-10.
22 b. Constituents of gasoline and fuel oil under subdivision a.
23 c. Oil sludge and oil refuse.
- 24 12- 13. "Release" means any unintentional spilling, leaking, emitting, discharging,
25 escaping, leaching, or disposing of petroleum from a tank into the environment
26 whether occurring before or after the effective date of this chapter, but does not
27 include discharges or designed venting allowed under federal or state law or under
28 adopted rules.
- 29 13- 14. "Tank" means any one or a combination of containers, vessels, and enclosures,
30 whether aboveground or underground, including associated piping or

appurtenances used to contain an accumulation of petroleum. The term does not include:

- a. Tanks owned by the federal government.
- b. Tanks used for the transportation of petroleum.
- c. A pipeline facility, including gathering lines, regulated under:
 - (1) The Natural Gas Pipeline Safety Act of 1968.
 - (2) The Hazardous Liquid Pipeline Safety Act of 1979.
 - (3) An interstate pipeline facility regulated under state laws comparable to the provisions of law in paragraph 1 or 2.
- d. An underground farm or residential tank with a capacity of one thousand one hundred gallons [4163.94 liters] or less or an aboveground farm or residential tank of any capacity used for storing motor fuel for noncommercial purposes. However, the owner of an aboveground farm or residential tank may, upon application, register the tank and be eligible for reimbursement under this chapter.
- e. A tank used for storing heating oil for consumptive use on the premises where stored.
- f. A surface impoundment, pit, pond, or lagoon.
- g. A flowthrough process tank.
- h. A liquid trap or associated gathering lines directly related to oil or gas production or gathering operations.
- i. A storage tank situated in an underground area such as a basement, cellar, mine working, drift, shaft, or tunnel if the storage tank is situated upon or above the surface of the floor.
- j. A tank used for the storage of propane.
- k. A tank used to fuel rail locomotives or surface coal mining equipment.
- l. An aboveground tank used to feed diesel fuel generators. Upon application, the owner or operator of an aboveground tank used to feed diesel fuel generators may register the tank and is eligible for reimbursement under this chapter.

1 15. "Third party" means a person who is damaged by the act of a registered owner,
2 operator, or dealer requiring corrective action or a person who suffers bodily injury
3 caused by a petroleum release.

4 **SECTION 3. AMENDMENT.** Section 23-37-03 of the 1999 Supplement to the North
5 Dakota Century Code is amended and reenacted as follows:

6 **23-37-03. (Effective through July 31, 2009 2011) Petroleum release compensation**
7 **advisory board.** The petroleum release compensation advisory board consists of ~~three~~ five
8 members appointed by the governor, two three of whom are active in petroleum marketing,
9 ~~appointed by the governor~~ one of whom is active in the petroleum, crude oil, or refining
10 industry, and one of whom is active in the insurance industry. A member active in petroleum
11 marketing must be appointed from a list of three recommended by the North Dakota retail
12 petroleum marketers association. A member active in the petroleum, crude oil, or refining
13 industry must be appointed from a list of three recommended by the North Dakota petroleum
14 council. A member active in the insurance industry must be appointed from a list of three
15 recommended by the North Dakota professional insurance agents association. Members must
16 be appointed to terms of three years with the terms arranged so that the term of at least one
17 member, but no more than two members, expires June thirtieth of each year. A member shall
18 hold office until a successor is duly appointed and qualified. Each member of the board shall is
19 entitled to receive sixty-two dollars and fifty cents per diem for each day actually spent in the
20 performance of official duties, plus mileage and expenses as are allowed to other state officers.

21 **SECTION 4. AMENDMENT.** Section 23-37-04 of the 1999 Supplement to the North
22 Dakota Century Code is amended and reenacted as follows:

23 **23-37-04. (Effective through July 31, 2009 2011) Administration of fund - Staff.**
24 The administrator shall administer the fund according to this chapter. The administrator shall
25 convene the board as ~~is~~ may be necessary to keep the board apprised of the fund's general
26 operations. However, the board shall meet at least once each half of each calendar year to
27 review and to advise the administrator regarding the administration of the fund, the fund's
28 general operations, and to hear and decide denials of claims by the administrator which may be
29 appealed to the board, and to discuss all claims against the fund. The administrator may
30 employ any assistance and staff necessary to administer the fund within the limits of legislative
31 appropriation. A claimant aggrieved by a decision of the administrator regarding a claim upon

1 the fund may appeal the decision to the board. The board may sustain, modify, or reverse the
2 decision of the administrator. The claimant or the administrator may appeal the board's
3 decision to the commissioner. The decision of the board may be appealed under chapter
4 28-32.

5 **SECTION 5. AMENDMENT.** Section 23-37-05 of the 1999 Supplement to the North
6 Dakota Century Code is amended and reenacted as follows:

7 **23-37-05. (Effective through July 31, 2009 2011) Adoption of rules.** The
8 administrator shall adopt rules regarding ~~its~~ the practices and procedures of the fund, the form
9 and procedure for applications for compensation from the fund, procedures for investigation of
10 claims, procedures for determining the amount and type of costs that are eligible for
11 reimbursement from the fund, ~~and~~ procedures for persons to perform services for the fund,
12 procedures for appeals to the board by claimants aggrieved by an adverse decision of the
13 administrator, and any other rules as may be appropriate to administer this chapter.

14 **SECTION 6. AMENDMENT.** Section 23-37-06 of the 1999 Supplement to the North
15 Dakota Century Code is amended and reenacted as follows:

16 **23-37-06. (Effective through July 31, 2009 2011) Release discovery.** If the
17 department has reason to believe a release has occurred, it shall notify the administrator. The
18 department shall direct the owner or operator to take reasonable and necessary corrective
19 actions as provided under federal or state law or under adopted rules.

20 **SECTION 7. AMENDMENT.** Section 23-37-07 of the 1999 Supplement to the North
21 Dakota Century Code is amended and reenacted as follows:

22 **23-37-07. (Effective through July 31, 2009 2011) Owner or operator not identified.**
23 The department may cause legal action to be brought to compel performance of a corrective
24 action if an identified owner or operator fails or refuses to comply with an order of the
25 department, or the department may engage the services of qualified contractors for
26 performance of a corrective action if an owner or operator cannot be identified.

27 **SECTION 8. AMENDMENT.** Section 23-37-08 of the 1999 Supplement to the North
28 Dakota Century Code is amended and reenacted as follows:

29 **23-37-08. (Effective through July 31, 2009 2011) Imminent hazard.** Upon receipt of
30 information that a petroleum release has occurred which may present an imminent or

1 substantial endangerment of health or the environment, the department may take such
2 emergency action as it determines necessary to protect health or the environment.

3 **SECTION 9. AMENDMENT.** Section 23-37-09 of the 1999 Supplement to the North
4 Dakota Century Code is amended and reenacted as follows:

5 **23-37-09. (Effective through July 31, 2009 2011) Duty to notify.** ~~Nothing in this~~ This
6 chapter ~~limits~~ does not limit any person's duty to notify the department and to take action
7 related to a release. However, payment for corrective actions required as a result of a
8 petroleum release is governed by this chapter.

9 **SECTION 10. AMENDMENT.** Section 23-37-10 of the 1999 Supplement to the North
10 Dakota Century Code is amended and reenacted as follows:

11 **23-37-10. (Effective through July 31, 2009 2011) Providing of information.** Any
12 person whom the administrator or the department has reason to believe is an owner or
13 operator, ~~or~~ the owner of real property where corrective action is ordered to be taken, or any
14 person who may have information concerning a release, shall, if requested by the administrator
15 or the department, or any member, employee, or agent of the administrator or the department,
16 furnish to the administrator or the department any information that person has or may
17 reasonably obtain that is relevant to the release.

18 **SECTION 11. AMENDMENT.** Section 23-37-11 of the 1999 Supplement to the North
19 Dakota Century Code is amended and reenacted as follows:

20 **23-37-11. (Effective through July 31, 2009 2011) Examination of records.** Any
21 employee of the administrator or the department may, upon presentation of official credentials:

- 22 1. Examine and copy books, papers, records, memoranda, or data of any person who
23 has a duty to provide information to the administrator or the department under
24 section 23-37-10; and
- 25 2. Enter upon public or private property for the purpose of taking action authorized by
26 this section, including obtaining information from any person who has a duty to
27 provide the information under section 23-37-10, conducting surveys and
28 investigations, and taking corrective action.

29 **SECTION 12. AMENDMENT.** Section 23-37-12 of the 1999 Supplement to the North
30 Dakota Century Code is amended and reenacted as follows:

1 **23-37-12. (Effective through July 31, 2009 2011) Responsibility for cost.** The
2 owner or operator is liable for the cost of the corrective action required by the department,
3 including the cost of investigating the releases, ~~and for legal actions of the administrator or the~~
4 ~~department.~~ This chapter does not create any new cause of action for damages on behalf of
5 third parties for release of petroleum products against the fund or licensed dealers.

6 **SECTION 13. AMENDMENT.** Section 23-37-13 of the 1999 Supplement to the North
7 Dakota Century Code is amended and reenacted as follows:

8 **23-37-13. (Effective through July 31, 2009 2011) Liability avoided.** No owner or
9 operator may avoid liability by means of a conveyance of any right, title, or interest in real
10 property or by any indemnification, hold harmless agreement, or similar agreement. However,
11 ~~the provisions of this chapter do~~ does not:

- 12 1. Prohibit a person who may be liable from entering into an agreement by which the
13 person is insured or is a member of a risk retention group, and is thereby
14 indemnified for part or all of the liability;
- 15 2. Prohibit the enforcement of an insurance, hold harmless, or indemnification
16 agreement; or
- 17 3. Bar a ~~cause of action~~ claim for relief brought by a person who may be liable or by
18 an insurer or guarantor, whether by right of subrogation or otherwise.

19 **SECTION 14. AMENDMENT.** Section 23-37-14 of the 1999 Supplement to the North
20 Dakota Century Code is amended and reenacted as follows:

21 **23-37-14. (Effective through July 31, 2009 2011) Other remedies.** ~~Nothing in this~~
22 ~~This chapter limits~~ does not limit the powers of the administrator or department, or ~~precludes~~
23 preclude the pursuit of any other administrative, civil, injunctive, or criminal remedies by the
24 administrator or department or any other person. Administrative remedies need not be
25 exhausted in order to proceed under this chapter. The remedies provided by this chapter are in
26 addition to those provided under existing statutory or common law.

27 **SECTION 15. AMENDMENT.** Section 23-37-15 of the 1999 Supplement to the North
28 Dakota Century Code is amended and reenacted as follows:

29 **23-37-15. (Effective through July 31, 2009 2011) Revenue to the fund.** Revenue
30 from the following sources must be deposited in the state treasury and credited to the fund:

- 31 1. Any registration fees collected under section 23-37-17;

2. Any money recovered by the fund under section 23-37-23, and any money paid under an agreement, stipulation, or settlement;
3. Any interest attributable to investment of money in the fund; and
4. Any money received by the administrator in the form of gifts, grants, reimbursements, or appropriations from any source intended to be used for the purposes of the fund.

SECTION 16. AMENDMENT. Section 23-37-16 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

23-37-16. (Effective through July 31, 2009 2011) Penalty. A tank owner violating section 23-37-17 is guilty of a class B misdemeanor, unless another penalty is specifically provided.

SECTION 17. AMENDMENT. Section 23-37-17 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

23-37-17. (Effective through July 31, 2009 2011) Registration fee. An owner or operator of a tank shall pay an annual registration fee of fifty dollars for each aboveground or underground tank owned or operated by that person. If on the first day of July in any year the amount of money in the petroleum release compensation fund is less than ~~five~~ six million dollars, the annual registration fee of fifty dollars is increased to one hundred dollars. If on the first day of July in any year the amount of money in the petroleum release compensation fund is five million five hundred thousand dollars or more and the annual registration fee has been increased to one hundred dollars, the fee must be reduced to fifty dollars. Annual registration fees must be reduced to five dollars if on the first day of July in any year the amount of money in the fund exceeds nine million dollars. Annual registration fees must continue at the fee of five dollars until the money in the fund does not exceed nine million dollars. An owner or operator of a tank that was required to be registered by law on or before July 1, ~~1999~~ 2001, shall pay seventy-five dollars for each aboveground tank and one hundred twenty-five dollars for each underground tank owned or operated by that person for any previous years that the tank was required to be registered for which a fee was not paid. The registration fees collected under this section must be paid to the administrator for deposit in the state treasury for credit to the petroleum release compensation fund.

SECTION 18. AMENDMENT. Section 23-37-18 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

23-37-18. (Effective through July 31, 2009 2011) Reimbursement for corrective action.

1. The administrator shall reimburse an eligible owner or operator for ninety percent of the costs of corrective action, including the investigation, which are greater than five thousand dollars and less than one million dollars per occurrence and two million dollars in the aggregate. An eligible tank owner or operator may not be liable for more than twenty thousand dollars out-of-pocket expenses for any one release. A reimbursement may not be made unless the administrator determines that:

~~1.~~ a. At the time the release was discovered the owner or operator and the tank were in compliance with state and federal rules and rules applicable to the tank, including rules relating to financial responsibility which were in effect at the time of the release;

~~2.~~ b. The department was given notice of the release as required by federal and state law;

~~3.~~ c. The owner or operator has paid the first five thousand dollars of the cost of corrective action; and

~~4.~~ d. The owner or operator, to the extent possible, fully cooperated with the department and the administrator in responding to the release.

2. The fund shall compensate third parties for corrective action taken for a petroleum release if the provisions of subdivisions a, b, c, and d of subsection 1 were met at the time the release was discovered. Compensation for third-party corrective action includes compensation for costs incurred in returning the real estate to that level deemed duly remediated by the department.

3. The fund shall reimburse the tank owner, operator, or dealer for bodily injuries to a third party caused by a petroleum release if the provisions of subdivisions a, b, c, and d of subsection 1 were met at the time the release was discovered in an amount determined by:

- a. Findings reduced to judgment in federal or state district court within the state of North Dakota or such other court having jurisdiction over the matter in a proceeding in which the fund has been made a party;
 - b. Findings by an arbitration panel agreed upon in writing by the parties in a proceeding in which the fund has been made a party; or
 - c. A written settlement entered into by the parties in which the commissioner or the commissioner's agent has participated. The settlement must be reviewed and approved by the commissioner.
4. If there is no reasonable means of determining the value of real estate, the value is that which exists at the time the department determines the real estate has been duly remediated.
 5. The finding does not compensate for attorneys' fees of owners, operators, or dealers, nor may the fund compensate for exemplary damages, criminal fines, or administrative penalties.
 6. A third party accepting compensation from the fund for damages due to a release caused by a tank owner, operator, or dealer covered by the fund is deemed to have waived any cause of action against the fund or against the tank owner, operator, or dealer.
 7. The fund shall reimburse the department for all costs, attorneys' fees, and other legal expenses relating to administrative and adjudicative proceedings under this chapter and any subsequent legal proceeding. Any monies reimbursed must be deposited in the department's operating fund in the state treasury and must be spent subject to appropriation by the legislative assembly.

SECTION 19. AMENDMENT. Section 23-37-19 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

23-37-19. (Effective through July 31, 2009 2011) Application for reimbursement.

Any owner or operator who is a first-party claimant who proposes to take corrective action or has undertaken corrective action in response to a release, the time of such release being unknown, may apply to the administrator for partial or full reimbursement under section 23-37-18. An owner or operator who is a first-party claimant may be reimbursed only for costs

incurred after July 1, 1989, even if the releases were discovered before July 1, 1989, up to the maximum of twenty-five thousand dollars per location.

SECTION 20. AMENDMENT. Section 23-37-20 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

23-37-20. (Effective through July 31, 2009 2011) Administrator to determine costs. A reimbursement for corrective actions taken by an owner, operator, or dealer may not be made from the fund until the administrator has determined that the costs for which reimbursement is requested were actually incurred and were reasonable. All necessary loss adjustment expenses must be included as a component of the loss and must be paid out of the fund.

SECTION 21. AMENDMENT. Section 23-37-21 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

23-37-21. (Effective through July 31, 2009 2011) Liability of responsible person. The right to apply for reimbursement and the receipt of reimbursement does not limit the liability of an owner or operator for damages or costs incurred as the result of a release.

SECTION 22. AMENDMENT. Section 23-37-22 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

23-37-22. (Effective through July 31, 2009 2011) Reimbursement not subject to attachment. The amount of reimbursement to be paid for corrective action that was done by a third party is not subject to legal process or attachment if actually paid to a third party who performed the corrective action.

SECTION 23. AMENDMENT. Section 23-37-23 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

23-37-23. (Effective through July 31, 2009 2011) Recovery of expenses. Any reasonable and necessary expenses incurred by the fund, which exceed the ~~amount allowed~~ by coverage limits provided by section 23-37-18, in taking a corrective action, including costs of investigating a release, and in taking legal actions may be recovered in a civil action in district court brought by the administrator against an owner or operator. The certification of expenses by an approved agent of the fund is prima facie evidence that the expenses are reasonable and necessary. Any expenses that are recovered under this section must be deposited in the fund.

1 **SECTION 24. AMENDMENT.** Section 23-37-24 of the 1999 Supplement to the North
2 Dakota Century Code is amended and reenacted as follows:

3 **23-37-24. (Effective through July 31, 2009 2011) Costs exceeding reimbursement.**

4 If the cost of any extraordinary authorized action under this chapter exceeds amounts awarded
5 to the administrator or the department from the federal government, the administrator may pay
6 the department the cost of the corrective actions, including the cost of investigating a release, if
7 the board finds that the cause was a petroleum substance, that an adequate amount exists in
8 the fund to pay for the corrective action, that the occurrence was extraordinary in scope and
9 size, and that a danger to the health and safety of citizens exists.

10 **SECTION 25. AMENDMENT.** Section 23-37-25 of the 1999 Supplement to the North
11 Dakota Century Code is amended and reenacted as follows:

12 **23-37-25. (Effective through July 31, 2009 2011) Coordination of benefits.** If an
13 owner or operator has an insurance policy that provides the same coverage as the fund, the
14 administrator of the fund shall pay the share of the covered loss or damage for which the fund
15 is responsible. The share that must be paid from the fund is equal to the proportion that the
16 applicable limit of coverage under the fund bears to the limits of insurance of all insurance
17 coverage on the same basis.

18 **SECTION 26. AMENDMENT.** Section 23-37-26 of the 1999 Supplement to the North
19 Dakota Century Code is amended and reenacted as follows:

20 **23-37-26. (Effective through July 31, 2009 2011) Third-party damages -**
21 **Participation in actions and review of settlements.**

- 22 1. An owner or operator who is sued for damages resulting from a release shall notify
23 the administrator within ~~forty-eight hours~~ fourteen days of being served with a
24 summons and complaint. The owner or operator shall also advise the
25 administrator if any insurer is defending the owner or operator and provide to the
26 administrator the name of that insurer.
- 27 2. An owner or operator who, before litigation, enters into negotiations with a third
28 party who claims to have been damaged by a release, or who receives a demand
29 for payment of damages to a third party who claims to have been damaged by a
30 release, shall notify the administrator within ~~forty-eight hours~~ fourteen days of the
31 demand or the negotiations.

1 3. The administrator and the board shall review the conduct of any litigation or
2 negotiation. The administrator may not assume any legal costs incurred by the
3 defendant or plaintiff, but may participate in discovery, trial proceedings, or
4 settlement negotiations of either disputed liability or damages that bear on the
5 determination of a plaintiff's damages.

6 4. The administrator and the board shall review any settlement negotiations to
7 determine the dollar amount of bodily injury or property damage actually,
8 necessarily, and reasonably incurred by third parties which, if paid by the
9 defendant, would be considered eligible costs.

10 **SECTION 27. AMENDMENT.** Section 23-37-27 of the 1999 Supplement to the North
11 Dakota Century Code is amended and reenacted as follows:

12 **23-37-27. (Effective through July 31, 2009 2011) Third-party damages -**
13 **Documentation.**

14 1. An applicant's payments for third-party damages pursuant to a judgment entered in
15 a court must include copies of the notice of entry of judgment; and abstract of
16 costs; ~~and a declaration of the fees paid by the defendant to each attorney who~~
17 ~~appeared in the proceeding.~~

18 2. An applicant's payments for third-party damages made by agreement in settlement
19 of litigation must include copies of the settlement agreement and such supporting
20 documents as may be required by the administrator.

21 3. An applicant's payments for third-party damages made by agreement without
22 reference to litigation must include copies of the settlement and such supporting
23 documents as may be required by the administrator.

24 4. The administrator and the board may require a third party who claims bodily injury
25 to be examined by a physician and require that the physician's report be submitted
26 to the administrator. The administrator may require a third party who claims
27 property damage to permit a property appraiser or claims adjuster retained by the
28 administrator to inspect the property and report to the administrator.

29 5. The fund shall pay a judgment against an owner, operator, or dealer awarded to a
30 third party as a result of a third-party claim and property damage against an owner,

operator, or dealer ~~covered~~ registered by the fund, ~~excluding claims for punitive damages or damages for criminal acts.~~

6. The fund shall pay for corrective action as awarded to a third party in any judgment against an owner, operator, or dealer.

7. Liability of the tank owner, operator, dealer, or fund to third parties for corrective action or personal injuries and property damage may not exceed, per person, ~~the maximum liability allowed per person under subsection 2 of section 32-12.2-02 one~~ million dollars. Maximum liability of the fund, including all claims by third parties, may not exceed, for any release site, the maximum provided in section 23-37-18.

8. A third party may not bring an action against any owner, operator, or dealer more than three years after a corrective action plan has been approved by the department if the owner, operator, or dealer fully implements and complies with the corrective action plan.

9. In investigating a release site or reviewing the implementation of any corrective action plan approved by the department, the department shall determine whether the release currently threatens public health or the environment. The department shall require, based on science and technology appropriate for the site, any monitoring, remediation, or other appropriate corrective action that is reasonably necessary to protect public health or the environment. The department may require corrective action at a release site at any time after a release occurs.

SECTION 28. AMENDMENT. Section 23-37-28 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

23-37-28. (Effective through July 31, 2009 2011) Matching federal funds. The administrator and the board may annually allow the department a ten percent matching grant for federal leaking underground storage tank funds to be paid out of the fund if the moneys are available and the administrator and the board determine the allowance appropriate.

SECTION 29. AMENDMENT. Section 23-37-29 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

23-37-29. (Effective through July 31, 2009 2011) Fund appropriations. Money in the fund is continuously appropriated to the administrator for the purpose of making reimbursements under this chapter.

1 **SECTION 30. AMENDMENT.** Section 23-37-30 of the 1999 Supplement to the North
2 Dakota Century Code is amended and reenacted as follows:

3 **23-37-30. (Effective through July 31, ~~2009~~ 2011) Investment of fund.** Investment of
4 the fund is under the supervision of the state investment board in accordance with chapter
5 21-10. The commissioner may purchase a contract for reinsurance of any risk to be paid by the
6 fund. The administrator may investigate the purchase of insurance that reimburses an owner
7 or operator for property damage claims by third parties other than claims for costs of corrective
8 action.