

1999 ASSEMBLY BILL 708

February 2, 2000 – Introduced by Representatives JENSEN, VRAKAS, PETTIS, KELSO, STONE, GUNDRUM, KEDZIE, LADWIG, OWENS, DUFF, HOVEN, OLSEN, WALKER, STASKUNAS, MUSSER, KREIBICH, SYKORA, SPILLNER, ALBERS, PORTER, TURNER and KREUSER, cosponsored by Senators WIRCH, HUELSMAN and SCHULTZ. Referred to Committee on Environment.

1 **AN ACT** *to renumber and amend* 292.35 (2); and *to create* 292.35 (1) (am) and
2 292.35 (2) (b) of the statutes; **relating to:** applicability of the local
3 governmental unit negotiation and cost–recovery process for contaminated
4 property.

Analysis by the Legislative Reference Bureau

Current law authorizes a local governmental unit that owns property that is contaminated with hazardous substances to initiate a process for negotiating about how the contamination will be remedied and how much the various parties that are responsible for the contamination will contribute toward the investigation and remedial action costs. The negotiations are conducted by an umpire. If an agreement is reached, it is binding on the parties. If an agreement is not reached, the umpire makes a recommendation that may be accepted or rejected by the parties. If the local governmental unit accepts the recommendation and another party rejects the recommendation, the local governmental unit may sue that party to attempt to recover a portion of the investigation and remedial action costs. If the local governmental unit recovers an amount equal to or exceeding the amount that the party would have paid under the umpire’s recommendation, the local governmental unit may recover interest and litigation costs.

This bill expands the applicability of this negotiation and cost–recovery process so that it may be used by a local governmental unit that does not own a contaminated property if the local governmental unit commits itself to paying more than 50% of the

