

To Enforcement and Beyond! (NJ Edition)

Mike Hollis

**Chief, Bureau of UST Compliance & Enforcement
NJDEP**

“Normal” Enforcement (UST Violations)

•\$5,000 base penalty: (1st offenses only)

- No Registration
- No Insurance
- No Corrosion Protection (including 3-year test)
- No Lining inspection
- No RDM
- No Spill Prevention
- No Overfill Prevention
- Failure to notify (spill)
- Failure to test: Spill bucket, Overfill prevention, monitoring system or containment (each)

•\$15,000 penalty

- Second offense for any of the above
- No 7-day investigation
- Failure to remove out of service tanks
- Deliver to unregistered UST (delivery companies)

•\$35,000 penalty

- Received delivery to a tank with failing spill bucket or failing overfill prevention

“Normal” Enforcement (Vapor Recovery Violations)

No air permit:

- 1. 30-day grace; \$100/day with 30-day cap**
- 2. \$200/day**
- 3. \$500/day**
- 4. \$1,500/ day**

Failure to 14-day notice

- 1. \$600**
- 2. \$1,200**
- 3. \$3,000**
- 4. \$9,000**

Stage 1 or Stage 2: not present / not functioning

- 1. \$600/day – per piece**
- 2. \$1,200/day – per piece**
- 3. \$3,000/day – per piece**
- 4. \$9,000/day – per piece**

Failure to conduct air testing

- 1. \$500/month per test**
- 2. \$1,000/month per test**
- 3. \$2,500/month per test**
- 4. \$7,500/month per test**

FY2025

- **350 Delivery Prohibitions**
- **602 Formal Enforcement documents**
- **\$2.8 million in penalties collected**

Obviously, that's a lot of work for only 14 people!



We're not always “gasholes”!

Believe it or not, NJ's UST program actually does try to help folks achieve compliance without trying to balance the state budget...

- **Upfront zero penalty Administrative Consent Orders (ACOs) ✦**
- **ACOs with Supplemental Environmental Projects (SEPs) ✦**
- **A whole lot of outreach (seminars, web-based, compliance advisories, countless hours on the phone and email)**

Sump Failures (Upfront ACO)



If they come to us first...

- If containment failures are found, and repairs/replacement will take longer than 30 days, a facility can contact us about an ACO to extend their deadline
- Requires monthly line testing
- Must meet the agreed upon deadline, or daily penalties accrue
- Our staff typically deals with the contractor as much as the facility in these cases
- We don't do this for spill buckets!



SEPs (UST Closures)



...only if the tank isn't required to be closed

- **In cases where large penalty liability exists, it can be beneficial to both the state and the facility to remove/replace old tanks to offset some of that penalty liability**
- **Minimum 25% of negotiated assessment must be collected in the form of the penalty, while the other 75% can be spent on the project**
- **Great success with this has lowered our numbers of older and single walled systems**



Pitfalls

- **Always the chance something goes wrong**
- **Facility may not comply, we may have to issue stipulated penalties and enforce the ACO in Superior Court**
- **The facility might get sold, which can complicate things**
- **Local construction permits/politics can delay projects**
- **We had too much happen with 3rd party monitoring ACOs, and no longer accept that as a SEP**



Thanks! (Questions/Discussion at the end)



Mike Hollis
Michael.Hollis@dep.nj.gov
609-477-0945