

**Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 10-0273.01 Thomas Morris

HOUSE BILL 10-1348

HOUSE SPONSORSHIP

McFadyen, Massey

SENATE SPONSORSHIP

Kester and Bacon,

House Committees

Transportation & Energy

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING INCREASED REGULATORY AUTHORITY REGARDING**
102 **RADIOACTIVE MATERIALS.**

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://www.leg.state.co.us/billsummaries>.)

Section 1 of the bill requires uranium mills, uranium processing facilities, and associated disposal facilities licensed for the disposal of radioactive waste originating outside of Colorado or the acceptance of classified material (uranium processing and disposal facilities) that have caused a release that exceeds groundwater standards to submit an annual

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

report to the owners of wells located within a mile of the contaminated groundwater plume. **Section 2** requires such facilities to submit an annual report to the department of public health and environment (department) regarding the adequacy of the facilities' financial assurance warranties, adjusts the applicable hearing procedures relating to the warranties, and prohibits the receipt of classified material at such a facility that disputes the department's proposed adjustment of a warranty unless the facility posts a cash bond equal to the amount in dispute. **Section 3** amends the decommissioning fund to explicitly allow it to be used for uranium processing and disposal facilities.

Sections 4 and 5 modify the procedural requirements, including public notice, that a uranium processing and disposal facility must meet for license applications, renewals, and amendments. Section 4 also:

- ! Modifies the department's deadlines for determining such actions; and
- ! Modifies the procedural requirements, including public notice, that such a facility must meet to receive, store, process, or dispose of classified material.

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

2 **SECTION 1.** Part 1 of article 11 of title 25, Colorado Revised
3 Statutes, is amended BY THE ADDITION OF A NEW SECTION to
4 read:

5 **25-11-101.5. Coordination of regulatory interpretations**
6 **regarding in situ leach uranium mining.** THE GENERAL ASSEMBLY
7 RECOGNIZES THAT THE PROPER AND ORDERLY REGULATION OF IN SITU
8 LEACH MINING, AS DEFINED IN SECTION 34-32-103, C.R.S., FOR URANIUM
9 ORE HAS ASPECTS THAT MAY INVOLVE MORE THAN ONE REGULATORY
10 AGENCY OF STATE GOVERNMENT AND THAT THE STATUTES THAT EACH
11 AGENCY IS RESPONSIBLE FOR ADMINISTERING MAY, DUE TO THE USE OF
12 TERMS OF ART AND OTHER TECHNICAL WORDS, PHRASES, AND
13 DEFINITIONS, HOLD THE POTENTIAL OF BEING INTERPRETED
14 INCONSISTENTLY OR TO BE HELD IN CONFLICT WITH EACH OTHER. IT IS
15 THE INTENT OF THE GENERAL ASSEMBLY THAT, WITH REGARD TO IN SITU

1 LEACH MINING FOR URANIUM ORE, THE RELEVANT AGENCIES COORDINATE
2 TO THE MAXIMUM EXTENT PRACTICABLE TO RESOLVE ANY SUCH
3 CONFLICTS OR INCONSISTENCIES.

4 **SECTION 2.** 25-11-107 (5), Colorado Revised Statutes, is
5 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

6 **25-11-107. Prohibited acts - violations - penalties.** (5) (j) FOR
7 ANY SITE OR FACILITY LICENSED UNDER PART 2 OF THIS ARTICLE
8 DETERMINED BY THE DEPARTMENT TO HAVE CAUSED A RELEASE TO THE
9 GROUNDWATER THAT EXCEEDS THE BASIC STANDARDS FOR
10 GROUNDWATER AS ESTABLISHED BY THE WATER QUALITY CONTROL
11 COMMISSION, UNTIL REMEDIATION HAS BEEN COMPLETED, THE LICENSEE
12 SHALL PROVIDE ANNUAL WRITTEN NOTICE OF THE STATUS OF THE RELEASE
13 AND ANY REMEDIATION ACTIVITIES ASSOCIATED WITH THE RELEASE, BY
14 CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, TO THE
15 CURRENT ADDRESS FOR EACH REGISTERED GROUNDWATER WELL WITHIN
16 ONE MILE OF THE RELEASE AS IDENTIFIED IN THE CORRECTIVE ACTION
17 MONITORING PROGRAM, UNLESS THE LICENSEE DEMONSTRATES THAT A
18 DISTANCE LESS THAN ONE MILE IS WARRANTED.

19 **SECTION 3.** 25-11-110 (5), Colorado Revised Statutes, is
20 amended to read:

21 **25-11-110. Financial assurance warranties - definitions.**
22 (5) (a) The department shall take reasonable measures to assure the
23 continued adequacy of any financial assurance warranty and may annually
24 or for good cause increase or decrease the amount of required financial
25 assurance warranties or require proof of THE value of existing warranties.
26 (b) THE LICENSEE SHALL SUBMIT AN ANNUAL REPORT TO THE
27 DEPARTMENT DEMONSTRATING PROOF OF THE VALUE OF EXISTING

1 WARRANTIES. THE ANNUAL REPORT SHALL DESCRIBE ANY CHANGES IN
2 OPERATIONS, ESTIMATED COSTS, OR ANY OTHER CIRCUMSTANCES THAT
3 MAY AFFECT THE AMOUNT OF THE REQUIRED FINANCIAL ASSURANCE
4 WARRANTIES, INCLUDING ANY INCREASED OR DECREASED COSTS
5 ATTRIBUTABLE TO INFLATION.

6 (c) PUBLIC NOTICE OF THE SUBMITTAL OF THE LICENSEE'S ANNUAL
7 REPORT SHALL BE POSTED ON THE DEPARTMENT'S WEB SITE AND
8 PUBLISHED BY THE OPERATOR IN THE LOCAL PAPER OF GENERAL
9 CIRCULATION. ANY PERSON MAY SUBMIT WRITTEN COMMENTS TO THE
10 DEPARTMENT CONCERNING THE ADEQUACY OF ANY FINANCIAL ASSURANCE
11 WARRANTIES. THE ACT OF SUBMITTING SUCH COMMENTS DOES NOT
12 PROVIDE A RIGHT TO ADMINISTRATIVE APPEAL CONCERNING THE
13 FINANCIAL ASSURANCE WARRANTIES.

14 (d) The licensee shall have sixty days after the date of written
15 notification by the department of a required adjustment to establish a
16 warranty fulfilling all new requirements unless granted an extension by
17 the department. If the licensee disputes the amount of the required
18 financial assurance warranties, the licensee may request a hearing to be
19 conducted in accordance with section 24-4-105, C.R.S.

20 (e) IF THE LICENSEE REQUESTS A HEARING, NO NEW CLASSIFIED
21 MATERIAL, AS THAT TERM IS DEFINED IN SECTION 25-11-201, MAY BE
22 BROUGHT ON SITE AND NO CLASSIFIED MATERIAL MAY BE PROCESSED
23 UNTIL THE LICENSEE'S DISPUTE OVER THE FINANCIAL ASSURANCE
24 WARRANTY IS RESOLVED, UNLESS THE LICENSEE POSTS A BOND IN A FORM
25 APPROVED BY THE DEPARTMENT EQUAL TO THE AMOUNT IN DISPUTE.

26 **SECTION 4.** 25-11-113 (2) (a), Colorado Revised Statutes, is
27 amended to read:

1 **25-11-113. Forfeitures - deposit - radiation control -**
2 **decommissioning fund - long-term care fund.** (2) (a) A fund to be
3 known as the decommissioning fund is hereby created ~~and established~~ in
4 the state treasury. ~~Such~~ THE fund shall be interest-bearing and invested
5 to return the maximum income feasible as determined by the state
6 treasurer and consistent with otherwise applicable state law. All moneys
7 collected from decommissioning warranties pursuant to this section shall
8 be transmitted to the state treasurer, who shall credit the same to the
9 decommissioning fund. All moneys deposited in the fund and all interest
10 earned on moneys in the fund shall remain in the fund for the purposes set
11 forth in this ~~part~~ ARTICLE and no part ~~thereof~~ OF THE FUND shall be
12 expended or appropriated for any other purpose.

13 **SECTION 5.** 25-11-203 (1) (b) (III), (2) (b) (I) (C), (3) (a), (3) (c)
14 (V), and (4), Colorado Revised Statutes, are amended to read:

15 **25-11-203. Approval of facilities, sites, and shipments for**
16 **disposal of radioactive waste.** (1) (b) (III) ~~Nothing in this paragraph (b)~~
17 ~~shall apply to a licensed facility as of June 3, 2003, as it undergoes its~~
18 ~~current five-year license renewal; except that, during the period from June~~
19 ~~3, 2003, until such license renewal is approved, such facility shall:~~
20 LICENSE AMENDMENTS FOR THE RECEIPT OF CLASSIFIED MATERIAL AT A
21 FACILITY ARE SUBJECT TO SUBSECTIONS (2) AND (3) OF THIS SECTION
22 EXCEPT WHEN THE MATERIAL IS FROM AN APPROVED SOURCE AND SUCH
23 AMENDMENT WOULD NOT RESULT IN A CHANGE IN OWNERSHIP, DESIGN, OR
24 OPERATION OF THE FACILITY. LICENSE AMENDMENTS NOT SUBJECT TO
25 SUBSECTIONS (2) AND (3) OF THIS SECTION ARE SUBJECT TO SUBSECTION
26 (4) OF THIS SECTION.

27 ~~(A) Continue to substantially comply with its current license;~~

1 ~~(B) For each type of classified material for which an application~~
2 ~~for storage, processing, or disposal has already been submitted to the~~
3 ~~department, provide to a library in the community in which the facility is~~
4 ~~located the material acceptance report prepared consistent with and~~
5 ~~containing the information required by the interim guidance on disposal~~
6 ~~of non-"Atomic Energy Act of 1954", section 11 e (2) byproduct material~~
7 ~~in tailings impoundments, RIS 2000-23, and interim position and~~
8 ~~guidance on the use of uranium mill feed material other than natural ores,~~
9 ~~RIS 2000-23, as such guidance documents are amended from time to~~
10 ~~time, which report has also been provided to the department;~~

11 ~~(C) Meet the standards specified in subparagraph (HH) of~~
12 ~~paragraph (c) of subsection (3) of this section for each type of classified~~
13 ~~material; and~~

14 ~~(D) Comply with the provisions of subsection (4) of this section~~
15 ~~for classified material for which a material acceptance report has not~~
16 ~~already been filed with the department for receipt by the facility as of~~
17 ~~June 3, 2003.~~

18 (2) (b) In addition to the requirements of paragraph (a) of this
19 subsection (2), each proposed license, five-year license renewal, or
20 license amendment pertaining to the facility's receipt of classified
21 material shall include a written application to the department and
22 information relevant to the pending application, including:

23 (I) Transcripts of two public meetings hosted and presided over
24 by a person selected upon agreement by the department, the board of
25 county commissioners of the county where the facility is located, and the
26 applicant. One or both of the meetings shall be a hearing conducted to
27 comply with section 24-4-104 or 24-4-105, C.R.S. The reasonable,

1 necessary, and documented expense of the meetings or hearing shall be
2 paid by the facility. Such meetings shall not be held until the department
3 determines that the application is substantially complete. The facility
4 shall provide the public with:

5 (C) Access to make copies of a transcript of the meetings, AND
6 SHALL PROVIDE AN ELECTRONIC COPY TO THE DEPARTMENT IN A MANNER
7 THAT ALLOWS POSTING ON THE DEPARTMENT'S WEB SITE WITHIN TEN DAYS
8 AFTER RECEIPT FROM THE TRANSCRIPTION SERVICE;

9 (3) (a) Upon receipt of an application or notice as provided in
10 subsection (2) of this section, the department of public health and
11 environment shall NOTIFY THE PUBLIC AND forward a copy of ~~such~~ THE
12 application or notice to the governor and the general assembly, as
13 appropriate.

14 (c) (V) (A) The department shall ~~make~~ PUBLISH a determination
15 as to whether an application submitted pursuant to paragraph (b) of
16 subsection (2) of this section is substantially complete within ~~thirty~~
17 FORTY-FIVE days after receipt of ~~such~~ THE application.

18 (B) The first public meeting or hearing required by subparagraph
19 (I) of paragraph (b) of subsection (2) of this section shall be convened
20 within forty-five days after PUBLICATION OF its determination that the
21 application is substantially complete. ~~and~~ The second such public meeting
22 or hearing shall be convened within thirty days after the first public
23 meeting.

24 (C) The department shall approve, approve with conditions, or
25 deny the application submitted under paragraph (b) of subsection (2) of
26 this section within ~~two hundred seventy days after the department's~~
27 ~~receipt of any response of the board of county commissioners to the~~

1 application prepared pursuant to subparagraph (HH) of paragraph (b) of
2 subsection (2) of this section and within three hundred sixty days after the
3 second public meeting. or hearing if no timely response is received by the
4 department from the board of county commissioners.

5 (4) (a) (I) At least ~~sixty~~ NINETY days before a facility proposes to
6 receive, store, process, or dispose of classified material IN A LICENSE
7 APPLICATION OR AMENDMENT THAT IS NOT SUBJECT TO SUBSECTIONS (2)
8 AND (3) OF THIS SECTION AND for which a material acceptance report has
9 not already been filed with the department, the facility shall provide
10 notice to NOTIFY the department, and the department shall provide notice
11 to NOTIFY the PUBLIC AND THE board of county commissioners of the
12 county in which the facility is located, of identification of the specific
13 classified material to be received, stored, processed, or disposed of. Such
14 THE notice shall include:

15 (A) A representative analysis suitable to the department, of the
16 physical, chemical, and radiological properties of the classified material;

17 (B) The material acceptance report prepared consistent with and
18 containing the information required by, the interim guidance on disposal
19 of non-"Atomic Energy Act of 1954", section 11 e (2) byproduct material
20 in tailings impoundments, RIS 2000-23, and interim position and
21 guidance on the use of uranium mill feed material other than natural ores,
22 RIS 2000-23, as such guidance documents are amended or superceded
23 from time to time [REDACTED] THAT DEMONSTRATES THAT THE CLASSIFIED
24 MATERIAL DOES NOT CONTAIN HAZARDOUS WASTE CHARACTERISTICS NOT
25 FOUND IN URANIUM ORE;

26 (C) A DETAILED PLAN FOR TRANSPORT, ACCEPTANCE, STORAGE,
27 HANDLING, PROCESSING, AND DISPOSAL OF THE MATERIAL;

1 (D) A DEMONSTRATION THAT THE MATERIAL CONTAINS
2 TECHNICALLY AND ECONOMICALLY RECOVERABLE URANIUM, WITHOUT
3 TAKING INTO ACCOUNT ITS VALUE AS DISPOSAL MATERIAL;

4 ~~(E)~~ (E) The existing location of the classified material;

5 ~~(F)~~ (F) The history of the classified material;

6 ~~(G)~~ (G) ~~If available~~, A WRITTEN STATEMENT BY THE APPLICANT
7 DESCRIBING any pre-existing regulatory classification of the classified
8 waste in the state of origin THAT DESCRIBES ALL STEPS TAKEN BY THE
9 APPLICANT TO IDENTIFY SUCH CLASSIFICATION;

10 ~~(H)~~ (H) A written statement from the United States department of
11 energy or successor agency that the receipt, storage, processing, or
12 disposal of the classified material at the facility will not adversely affect
13 the department of energy's receipt of title to the facility pursuant to the
14 federal "Atomic Energy Act of 1954 ", 42 U.S.C. sec. 2113; ~~and~~

15 ~~(I)~~ (I) Documentation showing any necessary approvals of the
16 United States environmental protection agency; AND

17 (J) AN ENVIRONMENTAL ASSESSMENT AS DEFINED IN PARAGRAPH
18 (c) OF SUBSECTION (2) OF THIS SECTION, WHICH MAY INCORPORATE BY
19 REFERENCE RELEVANT INFORMATION CONTAINED IN AN ENVIRONMENTAL
20 ASSESSMENT PREVIOUSLY SUBMITTED FOR THE FACILITY.

21 (II) For classified material that would otherwise be subject to the
22 "Low-level Radioactive Waste Act", part 22 of article 60 of title 24,
23 C.R.S., the facility's notice shall also include written documentation that
24 the rocky mountain low-level radioactive waste board has been notified
25 that the classified material is being considered for disposal in the subject
26 facility.

27 (b) Within ~~five~~ THIRTY days after the department's receipt of

1 notice pursuant to subparagraph (I) of paragraph (a) of this subsection (4),
2 the department shall ~~publish a notice of~~ DETERMINE WHETHER THE NOTICE
3 IS COMPLETE.

4 (c) ONCE THE DEPARTMENT DETERMINES THAT THE NOTICE IS
5 COMPLETE, THE DEPARTMENT SHALL PUBLISH THE NOTICE ON ITS WEB SITE
6 AND PROVIDE a ~~thirty-day~~ SIXTY-DAY public comment period for the
7 receipt of written comments ~~only~~, concerning the notice. A PUBLIC
8 HEARING MAY BE HELD, AT THE DEPARTMENT'S DISCRETION, AT THE
9 OPERATOR'S EXPENSE.

10 (e) (d) Within thirty days after the close of the written public
11 comment period provided by paragraph ~~(b)~~ (c) of this subsection (4), the
12 department shall ~~confirm whether~~ APPROVE, APPROVE WITH CONDITIONS,
13 OR DENY THE RECEIPT, STORAGE, PROCESSING, OR DISPOSAL AS DESCRIBED
14 IN THE NOTICE BASED ON WHETHER the material proposed for receipt,
15 storage, processing, or disposal at the facility complies with the facility's
16 license and meets the standards established pursuant to subparagraph (III)
17 of paragraph (c) of subsection (3) of this section. ~~and no further approval~~
18 ~~shall be required for the facility to receive, store, process, or dispose of~~
19 ~~the classified material described in the notice.~~

20 **SECTION 6.** 25-11-203 (2) (c), Colorado Revised Statutes, is
21 amended BY THE ADDITION OF THE FOLLOWING NEW
22 SUBPARAGRAPHS to read:

23 **25-11-203. Approval of facilities, sites, and shipments for**
24 **disposal of radioactive waste.** (2) (c) As used in paragraph (b) of this
25 subsection (2), "environmental assessment" means a report and
26 assessment submitted to the department by a facility upon and in
27 connection with application for a license, a five-year renewal, or license

1 amendment pertaining to the facility's receipt of classified material,
2 proposing to receive classified material for storage, processing, or
3 disposal at a facility that addresses the impacts of the receipt for storage,
4 processing, or disposal of such material. The environmental assessment
5 shall contain all information deemed necessary by the department, and
6 shall include, at a minimum:

7 (VII) A LIST OF ALL MATERIAL VIOLATIONS OF LOCAL, STATE, OR
8 FEDERAL LAW AT THE FACILITY SINCE THE SUBMITTAL DATE OF THE
9 PREVIOUS LICENSE APPLICATION OR LICENSE RENEWAL APPLICATION;

10 (VIII) FOR AN APPLICATION FOR A LICENSE OR LICENSE
11 AMENDMENT PERTAINING TO THE FACILITY'S RECEIPT OF CLASSIFIED
12 MATERIAL FOR STORAGE, PROCESSING, OR DISPOSAL AT THE FACILITY, A
13 DEMONSTRATION THAT:

14 (A) ALL NOTICES OF VIOLATION HAVE BEEN CURED AND THE
15 UNDERLYING CAUSES REMEDIATED;

16 (B) THE OPERATOR IS NOT AWARE OF ANY CURRENT LICENSE
17 VIOLATION AT THE FACILITY;

18 (C) THERE ARE NO CURRENT RELEASES TO THE AIR, GROUND,
19 SURFACE WATER, OR GROUNDWATER THAT EXCEED PERMITTED LIMITS;

20 AND

21 [REDACTED]
22 (D) NO CONDITIONS EXIST AT THE FACILITY THAT WOULD PREVENT
23 THE DEPARTMENT OF ENERGY'S RECEIPT OF TITLE TO THE FACILITY
24 PURSUANT TO THE FEDERAL "ATOMIC ENERGY ACT OF 1954", 42 U.S.C.
25 SEC. 2113;

26 (IX) A LIST OF ALL NECESSARY PERMITS AND ANY CHANGES TO
27 LOCAL LAND USE ORDINANCES THAT ARE NEEDED TO CONSTRUCT OR

1 OPERATE THE FACILITY; AND

2 (X) FOR SITES OR FACILITIES PLACED ON THE NATIONAL PRIORITY
3 LIST PURSUANT TO THE FEDERAL "COMPREHENSIVE ENVIRONMENTAL
4 RESPONSE, COMPENSATION, AND LIABILITY ACT", 42 U.S.C. SEC. 9605,
5 A COPY OF THE MOST RECENT FIVE-YEAR REVIEW AND ANY ASSOCIATED
6 UPDATES THAT HAVE BEEN ISSUED BY THE UNITED STATES
7 ENVIRONMENTAL PROTECTION AGENCY.

8 **SECTION 7. Applicability.** This act shall apply to applications
9 currently filed or filed on or after the effective date of this act and to
10 operations currently permitted or permitted on or after the effective date
11 of this act.

12 **SECTION 8. Safety clause.** The general assembly hereby finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, and safety.