

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

**REREVISED**

*This Version Includes All Amendments  
Adopted in the Second House*

LLS NO. 26-0835.01 Richard Sweetman x4333

**SENATE BILL 26-122**

**SENATE SPONSORSHIP**

**Pelton R. and Roberts**, Amabile, Carson, Catlin, Coleman, Exum, Kirkmeyer, Liston, Mullica, Pelton B., Rich

**HOUSE SPONSORSHIP**

**Winter T. and Lukens**, Caldwell, Duran, Gonzalez R., Keltie, Rydin, Slaugh, Smith, Suckla, Weinberg, Woog

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**Senate Committees**

Business, Labor, & Technology

**House Committees**

Agriculture, Water & Natural Resources

HOUSE  
3rd Reading Unamended  
April 16, 2026

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**A BILL FOR AN ACT**

101      **CONCERNING LIQUID FUELS, AND, IN CONNECTION THEREWITH,**  
102                    **INCREASING THE MAXIMUM AMOUNT OF LIABILITY OF THE**  
103                    **PETROLEUM STORAGE TANK FUND FOR INDIVIDUAL INCIDENTS**  
104                    **AND ALLOWING THE DIRECTOR OF THE DIVISION OF OIL AND**  
105                    **PUBLIC SAFETY TO ADOPT A RULE OR ISSUE POLICY GUIDANCE**  
106                    **THAT PROVIDES EXCEPTIONS TO SPECIFIC REQUIREMENTS**  
107                    **ESTABLISHED IN AN ASTM STANDARD FOR PETROLEUM**  
108                    **PRODUCTS.**

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HOUSE  
2nd Reading Unamended  
April 14, 2026

SENATE  
3rd Reading Unamended  
March 24, 2026

**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*

SENATE  
Amended 2nd Reading  
March 23, 2026

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.*

<http://leg.colorado.gov>.)

Under current law, the maximum amount of liability of the petroleum storage tank fund for an individual occurrence of a leak, spill, or release of a petroleum product from an underground storage tank (occurrence) is \$2,000,000. The bill increases the maximum liability to \$2,500,000 per occurrence. Additionally, an owner or operator of an underground or aboveground storage tank (owner or operator) may exceed this amount of liability with the permission of the director of the division of oil and public safety (director) and the petroleum storage tank committee (committee). If the director and the committee grant such permission, the director and committee shall establish a new maximum amount of liability per occurrence for the owner or operator.

Under current law, all class I, II, and III liquid fuel products must comply with the most current applicable standards of ASTM International. The bill allows the director to adopt a rule or issue policy guidance that provides exceptions to specific requirements established in an ASTM standard.

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

2 **SECTION 1.** In Colorado Revised Statutes, 8-20-204, **amend** (1)  
3 as follows:

4 **8-20-204. Specifications - classes I, II, and III - rules.**

5 (1) (a) EXCEPT AS DESCRIBED IN SUBSECTION (1)(b) OF THIS  
6 SECTION, all products in classes I, II, and III ~~shall~~ MUST comply with the  
7 most current applicable specifications of ASTM, which are found in  
8 section 5 of that organization's publication "Petroleum Products,  
9 Lubricants, and Fossil Fuels" and supplements ~~thereto~~ TO THE  
10 PUBLICATION or revisions ~~thereof~~ OF THE PUBLICATION as may be  
11 designated by ASTM, except as modified or rejected by this ~~article~~  
12 ARTICLE 20 or any rule ~~promulgated~~ ADOPTED pursuant to this ~~article~~  
13 ARTICLE 20. If gasoline is blended with ethanol, the ASTM D 4814  
14 specifications ~~shall~~ apply to the base gasoline prior to blending. Blends  
15 of gasoline and ethanol ~~shall~~ MUST not exceed the ASTM D 4814 vapor

1 pressure standard; except that, if the ethanol is blended at nine percent or  
2 higher but not exceeding ten percent, the blend may exceed the ASTM D  
3 4814 vapor pressure standard by no more than 1.0 PSI. Class I products  
4 shall not be blended at a retail location with products commonly and  
5 commercially known as casinghead gasoline, absorption gasoline,  
6 condensation gasoline, drip gasoline, or natural gasoline.

7 (b) IN ORDER TO ENSURE ACCESS TO FUEL PRODUCTS FOR  
8 COMMUNITIES IN COLORADO, THE DIRECTOR OF THE DIVISION OF OIL AND  
9 PUBLIC SAFETY MAY ADOPT A RULE OR ISSUE POLICY GUIDANCE THAT  
10 PROVIDES EXCEPTIONS TO SPECIFIC REQUIREMENTS ESTABLISHED IN AN  
11 ASTM STANDARD DESCRIBED IN SUBSECTION (1)(a) OF THIS SECTION TO  
12 ADDRESS CONSUMER PROTECTION, PRICING, SUPPLY NETWORKS, OR OTHER  
13 FACTORS NOT CONSIDERED BY ASTM WHEN FORMULATING THE  
14 STANDARD.

15 **SECTION 2.** In Colorado Revised Statutes, 8-20.5-206, **amend**  
16 (2) as follows:

17 **8-20.5-206. Financial responsibility for petroleum**  
18 **underground storage tanks - definition - rules.**

19 (2) (a) The maximum amount of liability of the fund under this  
20 section ~~shall be~~ IS three million dollars aggregate during a state fiscal year  
21 for multiple occurrences involving tanks that are the responsibility of an  
22 individual owner or operator, but in no event, ~~shall~~ EXCEPT AS DESCRIBED  
23 IN SUBSECTION (2)(b) OF THIS SECTION, DOES the liability of the fund  
24 exceed two million   dollars per occurrence. ~~For purposes of this section~~  
25 AS USED IN THIS SUBSECTION (2), an "occurrence" means the period of  
26 time from identification through remediation of a leak, spill, or release of  
27 a petroleum product from an underground storage tank. In the event the

1 cost of remediation or third-party claims exceeds the amount available to  
2 pay such costs, such costs and claims shall be paid on a pro rata basis as  
3 determined by the committee created in section 8-20.5-104. Any balance  
4 owed shall be paid as ~~moneys become~~ MONEY BECOMES available in the  
5 fund. Any excess costs that are not paid by the fund or by the federal  
6 leaking underground storage tank trust fund shall be paid by and are the  
7 sole responsibility of the responsible owner or operator.

8 (b) AN OWNER OR OPERATOR MAY EXCEED THE MAXIMUM AMOUNT  
9 OF LIABILITY DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION FOR AN  
10 INDIVIDUAL OCCURRENCE IF THE OWNER OR OPERATOR RECEIVES  
11 PERMISSION TO DO SO FROM BOTH THE DIRECTOR OF THE DIVISION OF OIL  
12 AND PUBLIC SAFETY AND THE PETROLEUM STORAGE TANK COMMITTEE  
13 CREATED IN SECTION 8-20.5-104. IF THE DIRECTOR AND THE COMMITTEE  
14 GRANT SUCH PERMISSION, THE DIRECTOR AND THE COMMITTEE SHALL  
15 ESTABLISH A NEW MAXIMUM AMOUNT OF LIABILITY PER OCCURRENCE FOR  
16 THE OWNER OR OPERATOR.

17 **SECTION 3. Act subject to petition - effective date.** This act  
18 takes effect at 12:01 a.m. on the day following the expiration of the  
19 ninety-day period after final adjournment of the general assembly (August  
20 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a  
21 referendum petition is filed pursuant to section 1 (3) of article V of the  
22 state constitution against this act or an item, section, or part of this act  
23 within such period, then the act, item, section, or part will not take effect  
24 unless approved by the people at the general election to be held in  
25 November 2026 and, in such case, will take effect on the date of the  
26 official declaration of the vote thereon by the governor.