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## State Water Resources Control Board

# UST CLEANUP FUND UPDATE: SB 445 SIGNED INTO LAW

(September 29, 2014)

On September 25, 2014, the Governor signed **SB 445 (Hill) Underground storage tanks: hazardous substances: petroleum: groundwater and surface water contamination**. It is Chapter 547, Statutes of 2014. This is an urgency measure that took effect immediately. The Chaptered version can be found at: [http://leginfo.ca.gov/pub/13-14/bill/sen/sb\\_0401-0450/sb\\_445\\_bill\\_20140925\\_chaptered.pdf](http://leginfo.ca.gov/pub/13-14/bill/sen/sb_0401-0450/sb_445_bill_20140925_chaptered.pdf)

### Overview of key elements:

The new law makes significant changes to the Underground Storage Tank Cleanup Fund (Cleanup Fund) program, including:

- Extending the program's sunset date by 10 years to January 1, 2026;
- Increasing the fee assessed on petroleum stored in underground storage tanks from \$.014 per gallon to \$0.02 per gallon;
- Requiring all single-walled USTs to be permanently closed by December 31, 2025;
- Dedicating 3 mills (\$0.003) of the assessed fee for (1) helping small businesses comply with underground storage tank regulatory requirements (RUST loans and grants), (2) providing funding through the new Site Cleanup Subaccount (SCSA) for investigating and cleaning up contaminated sites without regard to the source of the contamination, particularly where there are no viable responsible parties, and reimbursing school districts for UST cleanups;
- Increasing the maximum RUST grant amount to \$70,000 and providing for removal-only RUST grants (RUST grant moneys above the \$70,000 maximum are available in limited circumstances);
- Requiring an Expedited Cleanup Pilot Project;
- Providing the State Water Board with necessary authority to address fraud in the Cleanup Fund;

- Limiting the cap to \$1 million for claims, EAR Account sites, Orphan Site Cleanup Fund sites, Commingled Plume Account sites that are submitted to the Board after December 31, 2014;
  - Expanding eligibility for Orphan Site Cleanup Fund sites;
  - Increasing the Regulatory Technical Assistance (RTAC) cap to \$5,000 for those defined costs incurred after September 25, 2014;
  - Specifying that costs incurred after September 25, 2014 for electronic uploads of Cleanup Fund related documents are not subject to the RTAC cap;
  - Auditing of the Cleanup Fund every 5 years;
  - Studying existing statute defining small business for the purpose of Cleanup Fund eligibility;
  - Conducting a bond study.
- A new SB 445 webpage will be available no later than October 1, 2014 via the USTCF website at: [http://www.waterboards.ca.gov/water\\_issues/programs/ustcf/](http://www.waterboards.ca.gov/water_issues/programs/ustcf/). For questions regarding the RUST Program, please contact Janice Clemons at (916) 341-5657 or [Janice.clemons@waterboards.ca.gov](mailto:Janice.clemons@waterboards.ca.gov).
  - The web contents will be developed over time. Information, including FAQs, will be posted as they are developed.
  - Keep checking the webpage for updated information on implementation.
  - Please direct inquiries to the general email address using the subject line of "SB 445": [ustcleanupfund@waterboards.ca.gov](mailto:ustcleanupfund@waterboards.ca.gov). Will respond to the inquiries as we develop the FAQs.