

UST CLEANUP FUND

STATE WATER RESOURCES CONTROL BOARD

Frequently Asked Questions

About the UST Cleanup Fund (Fund)...

Federal and state laws require every owner and operator of a petroleum UST to maintain financial responsibility to pay for any damages arising from their tank operations. The Barry Keene Underground Storage Tank Cleanup Fund Act of 1989 was created by the California Legislature to provide a means for petroleum UST owners and operators to meet the federal and state requirements and pay for the cleanup of contaminated soil and groundwater when a leak is discovered. The Fund is administered by the California State Water Resources Control Board (State Water Board).

Who is eligible for the Fund?

To be eligible to file a claim with the Fund, the claimant must be a current or past owner or operator of the UST from which an unauthorized release of petroleum has occurred, and be required to undertake corrective action as directed by the regulatory agency. Other eligibility conditions include compliance with applicable state UST permitting requirements, payment of UST storage fees, compliance with regulatory agency cleanup orders, and compliance with the federal financial responsibility requirement. In addition to petroleum USTs, owners of certain small home heating oil tanks that have had an unauthorized release of petroleum are eligible.



What costs does the Fund pay?

The Fund reimburses corrective action costs paid or incurred for cleanup work performed after January 1, 1988, that was the result of an unauthorized release of petroleum from a UST that caused contamination of soil and/or groundwater. Funds are disbursed only after costs are actually incurred or paid.

Corrective action costs include preliminary site assessment, soil and water investigations, corrective action implementation and verification monitoring after the cleanup is completed.

The Fund also reimburses third-party compensation claims for amounts awarded by a court-approved settlement agreement, final judgment, or arbitration award by a court-appointed arbitrator. The first \$1,000,000 (less the deductible) for an eligible Fund claim may be used to satisfy third party compensation claims as well as corrective action and regulatory technical assistance costs. Once a claimant has been reimbursed this amount, an additional \$500,000 per occurrence is available and may be used to reimburse reasonable corrective action and regulatory technical assistance costs.

The additional \$500,000 cannot be used to reimburse third party claims. (See Section 2812.5 of the Fund regulations.)

The Fund does not cover the removal, repair, retrofit or installation of USTs. However, the Division of Financial Assistance, Remove, Replace, or Repair of Underground Storage Tanks (RUST) Program provides low interest loans to qualified small independent UST owners or operators to repair or replace their underground storage tanks, piping and dispensers.

Need More Information?

Contact us at: 1-800-813-FUND

FREQUENTLY ASKED QUESTIONS

In what order are claimants paid?

The implementing legislation sets forth a claim priority system, which is based on claimant characteristics.

The highest priority is as follows:

- Class A, is given to residential tank owners; the second priority,
- Class B, is given to small California businesses, governmental agencies and nonprofit organizations with gross receipts and/or number of employees below a specified maximum; the third priority,
- Class C, is given to California businesses, governmental agencies and nonprofit organizations having fewer than 500 employees; and the fourth priority,
- Class D, is given to all other claimants.

What is the maximum amount of funding?

The maximum coverage available from the Fund is \$1.5 million per occurrence.

- A separate claim must be filed for each occurrence.
 - Claimants in Priority Class B and Class C are responsible for the first \$5,000 of eligible corrective action costs, and
 - Class D claimants are responsible for the first \$10,000.
- To obtain maximum reimbursement,
- Be sure to document the necessity and reasonableness of all costs being claimed;
 - Comply with the Fund's three-bid requirement or obtain a written waiver; and,
 - Seek pre-approval of all corrective action costs before undertaking the work.

For More Information...

About the Fund...

State Water Resources Control Board
Division of Financial Assistance
Underground Storage Tank Cleanup Fund
P.O. Box 944212
Sacramento, CA 94244-2120
(800) 813-FUND

About the Fee...

State Board of Equalization
Environmental Fees Unit
P.O. Box 942879
Sacramento, CA 95279-0001
(916) 322-9669

About the Loan Program...

State Water Resources Control Board
Division of Financial Assistance
RUST Program
P.O. Box 944212
Sacramento, CA 94244-2120
(916) 445-1091

How is the Fund financed?

Money for the Fund is generated by a per gallon fee paid by the UST owners who are required to have a permit to own or operate a UST. The fee is collected by the State Board of Equalization.

Where can Fund application be obtained?

Claim application packages can be downloaded from the Fund's website at:

http://www.waterboards.ca.gov/water_issues/programs/ustcf

Or by calling: (800) 813-FUND.

You can also request a copy by writing to:

State Water Resources Control Board
Division of Financial Assistance
UST Cleanup Fund
P.O. Box 944212
Sacramento, CA 94244-2120

On the Web

The Fund updates its web site on a regular basis.

You may visit the site at:

http://www.waterboards.ca.gov/water_issues/programs/ustcf

Newly available on the web are the revised Claim Application and Program Summary.

There's more to come, so check back often!