Replacing, Removing, or Upgrading Underground Storage Tanks

Grant Program

Grant Overview
Replacing, Removing, or Upgrading Underground Storage Tanks (RUST) grants are available to assist underground storage tank (UST) owners and operators in financing up to 100 percent of the costs necessary to upgrade, remove, or replace project tanks to comply with Health and Safety Code chapter 6.7 (commencing with section 25280), section 41954, and implementing regulations.

Applicants that meet the requirements for both a RUST loan and grant may be approved for a RUST project including both grant and loan funding.

Grant Terms
Grants are available for between $3,000 and $70,000.

A small business may receive multiple RUST grants, but the maximum lifetime limit in grant moneys for each small business is $70,000.*

This is not a reimbursement program. Work cannot begin until you have an agreement executed by the State Water Board.

* Up to $140,000 in additional RUST grant moneys is available for small businesses that meet specified requirements for remote public fueling stations for the purpose of removing and replacing a single-walled UST to comply with Health and Safety Code section 25292.05. (See Health and Safety Code § 25299.107(e) for more information.)

Eligibility Requirements
Grant applicants must be the UST owner and/or operator and meet all of the following requirements:

• The applicant is a small business that employs fewer than 20 full-time and part-time employees, is independently owned and operated, and is not dominant in its field of operation;

• The grant applicant’s principal office and its officers must be domiciled in California;
• All tanks owned and operated by the loan applicant, with the exception of the project tanks, must be in compliance with Health and Safety Code chapter 6.7 (commencing with section 25280), section 41954, and implementing regulations;

• The project facility has sold at retail less than 1,500,000 gallons of gasoline annually for each of the two years preceding the submission of the grant application;

• Unless the applicant meets the grant waiver requirements, the project facility meets either of the following:
  o The project tanks are in compliance with Health and Safety Code chapter 6.7 (commencing with section 25280), section 41954, and implementing regulations;
  OR
  o All of the following requirements are met:
    ▪ The project tanks are in compliance with Health and Safety Code chapter 6.7 (commencing with section 25280), section 41954, and implementing regulations;
    ▪ The grant applicant submitted the grant application no more than 180 days after the applicable regulatory agency notified the grant applicant that the project tanks are not in compliance with Health and Safety Code chapter 6.7 (commencing with section 25280), section 41954, or any implementing regulation;
    ▪ The project tanks are not currently red tagged pursuant to Health and Safety Code section 25292.3; and
    ▪ The project facility, at the time of the grant application, is not or subject to any enforcement action seeking to impose administrative civil liability, civil liability, or criminal liability pursuant to Health and Safety Code chapter 6.7 (commencing with section 25280), section 41954, or any implementing regulation, unless the underlying violations that are the subject of that enforcement action have been corrected.

**Grant Waiver**
Grant applicants may be eligible for a waiver from the permit compliance and/or retailing gasoline requirements if the project tanks will be removed and will not be replaced with new tanks and the applicant does not qualify for a RUST Loan.
**Additional Resources**

If you would like to apply for a grant from the RUST Program, please complete your application via the Financial Assistance Application Submittal Tool (FAAST):

https://faast.waterboards.ca.gov/

For questions regarding the RUST Grant Program, please contact:

Email: RUST@waterboards.ca.gov

Phone: 916-323-2095

*(This Fact Sheet was last updated on April 25, 2022)*