

## RUST Loans

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RUST loans may be used to finance up to 100 percent of the costs necessary to upgrade, remove, or replace project tanks, including corrective actions, to meet applicable local, state, or federal standards, including, but not limited to, any design, construction, monitoring, operation, or maintenance requirements adopted pursuant to Health and Safety Code sections 25284.1 and 25292.4. Typical eligible costs are replacing underground storage tanks, installing containment sumps, double-walled piping, dispensers, under-dispenser containment boxes/pans, electronic monitoring systems, and enhanced vapor recovery systems, and conducting enhanced leak detection tests.

**This is not a reimbursement program. Work cannot begin until you have a signed agreement.**

If you would like to apply for a loan from the Rust Program, please contact your local [Financial Development Corporation](#).

### Loan Terms

Loans from \$10,000 to \$750,000

- **Loan Terms and Collateral:** The loan term is ten years when secured by Uniform Commercial Code Financing Statement on business assets. The loan term is twenty years when the loan is secured by a deed of trust on real estate with adequate equity.
- **Interest Rate and Fees:** The interest rate on RUST loans is below conventional market rates. A loan fee of 2 percent must be paid at final loan closing.

### Eligibility Requirements

Loan applicants must meet all of the following requirements:

- The loan applicant is a small business that employs fewer than 500 full-time and part-time employees, is independently owned and operated, and is not dominant in its field of operation;
- The principal office and the officers of the grant applicant are domiciled in California;
- The loan applicant owns or operates the project tank;
- All tanks owned and operated by the grant applicant are subject to compliance with Health and Safety Code chapter 6.7 and the regulations adopted pursuant to that chapter;
- Loan applicants must provide evidence that their USTs are operating at the time of application (e.g., copy of current UST operating permit issued by the local agency); and
- **Credit worthiness:** The loan applicant must demonstrate the ability to repay the loan and the availability of adequate collateral to secure the loan.

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