

**TABLE 5. STATE FUND UPDATES**

Major Legislative Changes		Current Status of Fund	How Success is Measured
AK	New legislation eliminated upgrade and closure grants and changed fund to a revolving loan program; cleanup grants end by July 2004.	Continuation cleanup grants are available to a limited remaining pool of applicants; loan applications are available to a larger pool of applicants	Number of cleanups completed.
AL	Legislation passed the House and is pending in the State Senate proposing major changes to fund administration. Also increases funding for site expenses, but no additional funding for program administration.	Expenditures are increasing and additional revenue is needed to meet the growing demand.	Fund continues to serve as a viable financial assurance mechanism. Complete payment requests are processed with a 60 day timeframe.
AR	Corrective action increased to \$1.5m and compensatory damage added to third party claims	Good	Processing time for claims
AZ	None	The AZ fund continues to receive and process new applications.	The fund remains viable, the processing time for a claim has been reduced, and the ADEQ has dramatically reduced the number of unreviewed applications.
CA	No major leg. Changes in 2002	Current state fiscal crisis has resulted in staff reduction and unable to stay current on payments	Length of time to process a payment
CO			
CT	Proposed bill (House Bill #6548) states that notwithstanding the provisions of sections 22a-449a to 22a-449m, inclusive of the general statutes, on and after April 1, 2003, and prior to July 1, 2005, neither the UST Petroleum Cleanup Account nor the Commissioner of Environmental Protection shall accept applications pursuant to section 22a-449f of the general statutes for reimbursement and payments from the account established under section 22a-449c of the general statutes.	Funding status has been changed from one-third of the quarterly sales tax total due to a flat three million dollars per quarter.	
DE		Allocated \$1.35 per year.	

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FL		Due to funding constraints have had to stop work at some sites	Number of Sites Closed
GA			
IA	Funding sunset for June 30, 2014. Expanded UST Fund Board to include two Petroleum Marketers. Gave the UST Fund Board statutory authority to write rules that allow for the transfer of liabilities to any third party.	Fund is currently solvent.	Closure of LUST sites. There are 2,233 (~1900 eligible claims) LUST sites currently open in the state. 800 of those have active tanks. Majority are just LUST sites.
ID	Legilsture created Board of Directors to oversee Fund activities.		
IL	Public Act 92-0554 which was signed into law in June of '02 increased the maximum amount payable per site from \$1 to \$1.5 million. It also increased the maximum aggregate amount payable from \$1 to \$2 million for companies owning 101 or less tanks and \$2 to \$3 million for companies owning 101 or more tanks.	The Illinois Underground Storage Tank Fund is solvent and we are processing and paying claims in a timely manner.	The Fund in Illinois has paid nearly 17,000 claims totalling \$519 million. Thorough and conscientious claim reviews have resulted in the re-direction of over \$58 million of ineligible, unreasonable and non-corrective action costs back into the fund to be used for further remediation. Closure letters have been issued for over 10,100 sites.
IN	Rule writing going on now.	Fund Balance approx \$50,000,000; Annual Revenue approx. \$30,000,000; Annual Claims & Expenses approx. \$50,000,000; Approx. 310 claims received / month; Approx. \$7,000,000 requested per month; Approx. \$3,750,000 claims paid/month; Will institute claim priority system when fund balance < 25,000,000	

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KS	The statute that defines what an illegal act is was ammended to remove the transporter from front line liability following delivery of fuel to an unpermitted tank.	This year the legislature "borrowed" \$10,000,000 which is to be paid back in installments at a future date. The agency can no longer establish firm encumbrances for approved work.	Our efforts are considered successful if sensitive receptors are protected,remedial efforts prove effective and are consistently increasing in number.
KY		NOTE: Our balance is currently 78.8 million, however, we are scheduled to transfer 74.1 million to the general fund this year due to a budget shortfall in the state and another 26.5 next fiscal year.	
LA		The La. Motor Fuels Underground Storage Tank Trust Fund is solvent and pays out eligible claims in a timely manner. In addition, the interest monies from the Trust Fund are being used to close USTs and assess/remediate sites deemed abandoned tanks sites.	We consider our fund successful as site cleanups are being completed, claims are processed in a timely manner and the fund is solvent.
MA	Annual Fee Increased from \$200 to \$250 per UST on 7/1/02. Load Fee Increased from 1/2 cent to 2 1/2 cents/gallon on 4/1/03.		
MD		We are still paying out on claims for sites discovered before 12/22/98; More than 45 residential heating oil applications have been approved and there is a minimal backlog of residential applications at this time; We have approximately 60 commercial applications waiting to be processed due to a regulatory issue that is about to be resolved; We are continuing to review and approved applications as funding allows.	Due to July 2000 legisltaion 1) changing who is eligible to apply for commercial reimbursement funds and 2) expanding the Fund to include both commercial USTs and residential ASTs and USTs heating oil systems, we are experiencing a transition away from the motor fuels and going towards heating oil reimbursements. Field inspectors are actively conveying availability of this Fund to all tank owners and the Fund remains "in the black."
ME	Fund sunset date likely to be extended 5 years to December 31, 2010.		
MI			

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MN	There are a number of pending legislative initiatives, including: (1) providing up to \$3,000 in reimbursement per transport trailer or station to install stage I vapor recovery in the seven county metro area, (2) include releases from mobile tanks as eligible releases, (3) enable the fund to contract for the removal of certain abandon underground storage tanks, (4) extend the sunset date to 2007.	fund is solvent with a balance of approximately \$10 million	time to process claims is main measure. Goal is to have all claims reviewed within 2 weeks of receipt.
MO	None	Insuring approx. 85% of operating USTs and 25% of eligible ASTs; providing substantial impetus fo USTfield redevelopment; broad support for Fund; working w/ regulator to implement RBCA; anticipated revenues are insufficient to support future liabilities.	Tank o/o's and landowners receiving timely, professional services from us; cleanups proceeding expeditiously; and money being spent efficiently and economically.
MS			
MT	The Montana Legislature recently passed HB 144 & HB 368 which significatnly changes the operation of the Petroleum Tank Release Compensation Board and Fund. The legislation: HB 144 - effective 3/16/2003 extend the time period for submitting a cost for reimbursement from 2 to 5 years and tolls time spent in appeal. HB 368 effective 10/1/03 eliminates the eligibility requirement for release reporting; eliminates the eligibility requirement for UST notification; hinges UST eligibility on whether the tank has an operating permit; clarifies the Board's role in review of claims; allows for a yet to be developed third-party review of corrective action plans and claims; and most important transfers day-to-day functions from the Department of Environmental Quality to staff that will report directly to the Board.		Work plan review and claim processing time.
NC	None	Large deficit resulted in payments slowed to match monthly revenue.	Feedback from customers; turn around time from claim receipt to check mailout; fund balances in the black and at or near breakeven; positive comments from legislators.
ND	None	Solvent	

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NE	none (but this legislative session is not over yet)	RBCA Tier 1 and Tier 2 investigation program fully implemented and working well. PFP program was implemented with the 5 first contracts ready to be signed. Last summer, \$10.25 million was transferred to general funds, but monthly revenue sufficient for work approved at this time.	The number of sites closed. Expenditures keeping pace with revenues. Application processing being less than 60 days.
NH	As of today, May 2, a legislative attempt to take \$5M from our UST fund and transfer it to the Highway fund, is in progress. Will keep you posted.	Solvent, unless \$5M taking is successful	# of claims processed and fast turnaround time
NJ	Legislation is currently pending that would enact the following changes: 1. Raise net income and net worth eligibility threshold amounts, 2. Reopen fund to regulated tank closure and remediation, 3. Increase maximum loan and grant amounts allowable, 3. eliminates date of ownership requirement for homeowner tanks, 4. open fund to institutions of higher education that own and operate tanks, as well as certain no-profit and other organizations, and 5. set new deadlines for filing initial applications (June 30, 2005) and for having applications deemed complete with fees received (December 31, 2005). These represent the most significant changes proposed.	Current Fund balance is \$84 million. There is a constitutional ammendment proposed for public referendum that would allow use of a certain portion of the fund balance for other types of hazardous waste site clean-ups.	Success is measured by the overall number of applications received and processed which result in the cleanup of contaminated UST sites.
NM	July 1, 2001 was the effective date for Fund coverage for ASTs. Bureau regulations are in the process of being changed to reflect AST coverage.	Closer management of workplan approvals is required due to the lower fund balance. In the future, some workplan approvals may be delayed until revenues can support the expenditures. In the General Appropriation Act of 2003, \$1,000,000 was appropriated from the Fund to help pay for a mining Superfund site.	Protection of drinking water, public health and safety, use of technological and cost effective methods to clean up sites, progress in closure of sites.
NV			
NY			

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OH	None	The Fund continues to accept claims for releases occurring before and after 12/22/98. The Board issued revenue bonds for the second time in 1998 in the amount of \$35 million. These bonds do not mature until 2013 and no change in the Fund as the state's financial responsibility mechanism is anticipated before that date.	As the Financial Assurance Fund is supported solely by annual tank fees, revenue bond proceeds and interest income, the Board's challenge is to strike a balance between reasonable fee levels and timely reimbursements. Revenue bond debt is being created to allow timely claim reimbursements without excessive fee rates. The Fund's success is measured by the 1) maintenance of an affordable fee structure that generates sufficient revenues to maintain Fund solvency; 2) maintenance of claims submissions standards that encourage cost-effective remediations; 3) timely reimbursement of eligible claimed costs; and 4) conformance to all bond trust agreement covenants.
OK			
PA	None	Fund continues to fulfill its mandate.	Fiscal soundness of the Fund, claims paid on a timely basis.
RI	In 2002, RI became a quasi-public corporation.	No backlog, solvent, reviewing alternative means of FR	Success to us is measured by how many sites are closed.
SC	During Fiscal Year 2003, the SC State Legislatures required that the prior years interest earned on the state funds (a total of \$1,095,606) be transferred to the State's General Fund.	The SC State Fund preapproves all work so that invoices can be paid in a timely manner. Currently, revenue is sufficient to fund needed activities at all of the emergencies and most of the high priority caseload. Monthly revenue is primarily obligated to sites awaiting cleanup.	The number and percent of confirmed releases that are closed per year; cleanup costs per site through competitive processes (compared to time and material costs); determining whether a steady cash flow was maintained (reflecting maximum obligation for site work); and the indicators listed in the Environmental Protection Agency Region IV solvency report (which includes claim payments, processing times, outstanding debt).
SD	As a part of the new Governor's reorganization, the Petroleum Release Compensation Fund was placed as a division of the new Department of Revenue and Regulation.	The Petroleum Release Compensation Fund is solvent and is able to pay all claims upon receipt. The PRCF is approved by EPA region VIII as an acceptable financial assurance mechanism for regulated tank owners in South Dakota and continues to provide coverage for new releases at new or upgraded sites.	Success is measured by the following: 1) maintaining f EPA approval of PRCF as an acceptable financial assurance mechanism for regulated tank owners in South Dakota; 2) timeliness of claims review and payments; 3) appropriateness of corrective action; 4) the successful cleanup of release sites in a timely and cost-effective manner.
TN			
TX			
UT	Per gallon fee was raised from a quarter cent to a half cent effective 7/1/2003.	Positive cash balance. However, actuarial balance is a negative \$70 million. Fee increase should help stem the decline.	Yearly actuarial study. Sites cleaned up. Claims processing time. Input from owners and legislators.

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VA	None anticipated.	Virginia accepts and pays claims on a first in, first out basis with no anticipation of a Fund sunset. Monthly income is relatively stable. Claim payment delays result during periods where total approved claims exceed Fund's monthly income. Current approvals are slightly less than income; a waiting list for payments is about 8 months due to large claim volumes approved in previous years. The "accelerated payment" option introduced last year has become very popular. About one third of claims filed this past year selected the "speedy but discounted" reimbursement over a "delayed but full" reimbursement.	Success is measured through: number of cleanups completed, timely review and payment of claims, and overall "reasonableness" of costs approved.
VT	Extended fund sunset dates by an additional 5 years.	Fund remains primary FR mechanism in the state. Currently still paying claims on past releases and provides coverage for future releases.	Success of fund is measured by ability to pay claims, solvency and support of stakeholders.
WA			Availability and Affordability of insurance
WI	none at this time, although additional revenue bonding for the fund is proposed in the Governor's budget.	During the last year, the PECFA program requested consultant reporting for all the sites in the program. Information was received for approximately 2500 sites, leaving an estimated 1600 sites as unreported. With the information tabulated to date, the total estimate of costs yet to be incurred through closure for these sites is \$98,500,000. Based on the information received from this reporting, the Fund's future liability can be estimated at \$165,000,000.	
WV	none	low; evaluating options	
WY			

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