

TABLE 4. Cost Control Measures/State Fund Updates 2017

State	<u>Cost Control Mechanisms Used</u>	<u>New or Proposed Legislative or Regulatory Changes</u>	<u>Current Status of Fund</u>
Alabama	Pre-Approval of Costs; Unit Rates established for most commonly used work efforts; Fee Schedule; Owners required to hire an Approved Response Action Contractor	No change in 2017	Funds are available to pay all incoming investigative/corrective action requests for payment and for third party claims.
Alaska*			Fund is no longer active.
Arizona		<p>In 2015, House Bill 2636 established several new UST program components for AZ. None of the programs may be used to demonstrate compliance with financial responsibility requirements. Programs include: funding for UST removal, suspected release confirmation, baseline assessments, and system upgrades to new tank installation standards; an expanded state lead program to conduct UST removals, suspected release confirmation, and baseline assessments; a cleanup funding assistance (preapproval) program; and, a time-barred claims program to reimburse corrective action costs for owners and operators who were time-barred from submittal under the old state fund program (deadline to submit for time-barred - December 31, 2016).</p>	<p>State Fund as partial FR mechanism is no longer active.</p> <p>New AZ programs are in initial stages of implementation with funding available for cleanup and leak prevention efforts.</p>
Arkansas	Pre-approval of Costs; Require competitive bidding;	Act 584 of the Regular Session 2017, of the 91st General Assembly amended the law to make the registration of aboveground storage tanks optional and amended the eligibility of aboveground tanks for reimbursement from the Petroleum Storage Tank Trust Fund.	Funds are available to pay all approved corrective action plans and third-party claims.

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California	Annual Site Budgets; Project Execution Plan; Case Closure Reviews	No new or proposed legislation for FY 17/18	The Fund continues to accept claims for unauthorized releases. An annual appropriation of funds each fiscal year continues to provide for the payments of claims. Significant cash balance as regulatory cases close, and unnecessary remediation not implemented.
Colorado	Use standard forms for site assessment and corrective action plans, Require pre-approval of cleanup plans and/or budget, Require competitive bidding for remediation costs > \$100,000, Require use of a fee schedule, Limit overhead paid, Certify contractors, Cover cleanups based on site-specific risk-based end points, Additional risk-based closure criteria were put into rule in October 2014 which allow for regulatory closure with dissolved phase impacts off property. This has allowed our program to effectively close low-risk sites that have undergone multiple remedial and mass reduction efforts. A beneficial result of this is that the Fund can focus spending on high-risk sites where remedial efforts can recognize much larger returns on investment. Money is also available to offer incentives for compliance upgrades.	The Petroleum Cleanup and Redevelopment Fund, separate from the Colorado Petroleum Storage Tank Fund, funded by monies obtained from settlements and judgments has now accepted 35 sites for assessment and cleanup. Approximately \$1M has been allocated for these efforts including removal of 45 tanks. House Bill 15-1299 was signed by the Governor on May 8, 2015 allowing the Petroleum Storage Tank Fund to offer incentives to Owners/Operators for compliance testing. OPS worked with a stakeholder group to develop the specifics of a process where incentives are offered for early testing and upgrade of spill buckets and containments as now required by OPS regulations, and also for tank removals. The incentive is a reduction or elimination of the deductible if a release is discovered during the testing or upgrade, or tank removal. 12 sites have successfully received the incentive. Colorado regulations were revised to incorporate some editorial changes and reference citation updates and incorporate the FR requirement for ASTs per Colorado Statutes. Colorado's SPA application has been submitted to EPA and is pending the Ute Mountain Ute tribe compliance with a memorandum of agreement, along with some other minor modifications.	The Colorado Petroleum Storage Tank Fund is solvent with a fiscal year 2017 year end fund balance of \$1,411,299. The Environmental Response Surcharge (the source of greater than 90% of our revenue) was \$100/tanker throughout the first 9 months of the fiscal year, lowered to \$75/tanker for the remaining 3 months as the Fund Balance exceeded \$3M.
Connecticut		None	Currently processing claims and making payments when funds are available.

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Delaware		Program closed on 12/31/2011 via statue change.	closed 12/31/2011. Tank owners and operators must comply with FR requirements through private mechanisms.
District of Columbia ¹	All UST Fees received by the UST Fund are scheduled in the DC UST Regulations, which is updated whenever there is a change or increase in fees.	2018 updates to our regulations will include new fees for UST removal and voluntary remediation and increase all other fee annually based on infiltration rate. All revenue collected will be directed to a Brownfields Clean Lands Fund, which can be used for any future DC led contaminated site assessments, cleanups, emergency responses, UST removals, residents relocation, compensations, etc.	None Existant - Tank owners and operators must comply with FR requirements through private mechanisms.The DC UST Fund is no longer active, it was converted to a lapsing fund and all fund balance was spent prior to 2013 and new revenue generated from fines, registration, permits and certification fees goes into the general DC Gov't fund.
Florida*		The exisiting Adadvanced Cleanup Program, whereby Site Owners/RPs can be funded out priority order if they share 25% or more of the cost, was modified to allow groups of 20 or more sites to be bundled under performance based cleanup agreements to satisfy the net cost share with co-payment, cost savings compared to standard contract rates, cost savings for risk based cleanup compared to unconditional closure, or any compbination of the three.	The Inland Protection Trust Fund is sound and well funded, with a legislative appropriation this FY of \$125 M for cleanup at eligble sites. Continuing effort to screen all eligible facilities in the next 6-8 years with a limited assessment to better identify imminent health threats, potential clean closures and estimate future trust fund liabilities.
Georgia	Pre Approval of Scope of Work Detailed cost review form State contractor pay for performance and fee schedule Robust Remediation Review Committee Greater Use of RBCA	None	Solvent.
Idaho	Every insured site is visited atleast twice yearly to ensure underwriting compliance.	None	Actuarially sound for at least the next five years.

Based on responses to a survey conducted by the Vermont Department of Environmental Conservation. Updated Spring/Summer 2018.

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Illinois		None	Fund has a positive balance.
Indiana	None	Changes to eligibility requirements, increases the cap to \$2.5 million and allows both current and former owners, operators and property owners to access the fund.	Solvent.
Iowa		2016 Legislation ended collection of environmental protection charge (0.01 cent / gallon petro deposited into UST or AST) on 12/31/2016. Same bill ended funding for the State Fund Program as of 12-31-2016.	Solvent and in run off with 125 open claims; loss portfolio transfer of 199 claims and \$13M completed in 2017.
Kansas		Modifying regulations to meet new EPA regulatory requirements.	Solvent.
Kentucky	Preapproval worksheets, Use of Fee Schedule, Prioritizing claims, Use of Standard forms for cost Estimates, Competitive Bidding	N/A	Solvent.
Louisiana	Require pre-approval of site investigation and cleanup plans which include a defined budget, Require competitive bidding for cost over \$10,000, Require use of a guidance document which includes fee schedules and unit pricing, Utilize pay-for-performance contracts when appropriate, Use standard forms for site assessment and corrective action plans, Certify contractors	Proposed Legislation under review, which would change the Motor Fuel fee from \$0.008 / gallon to a maximum of \$0.008 / gallon with the Trust Fund Advisory Board and the Department Secretary having the ability to modify the rate on an annual basis. Department Secretary at the recommendation of the Trust Fund Advisory Board recently reduced the in-compliance deductible from \$5,000 to zero (\$0) dollars.	Solvent.

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Maine	Require pre-approval of clean-up plans and/or budgets. Require competitive bidding (state as agent of owner). Use clean-up standards based on site specific risk based end points	February 2018- Legislation enacted to authorize rulemaking for ust's associated w/WWT systems; reduce the time ust's may remain oos from 24 to 12 months; Created new low interest loan program to facilitate compliance with repair and replacement of oil storage facilities(UST & AST).	Currently sound but requires active monitoring and management.
Maryland		Funding is reviewed as determiend by statute. Currently, it will be reviewed in 2018 and a revision should be introduced in the 2019 Maryland General Assembly.	Currently sound until June 2019
Massachusetts		Effective 7/1/2014 the per gallon Delivery Fee is now placed into the Commonwealth Transportation Fund and is no longer indirectly used to support the state fund program. In November 2015, the Legislature passed a law to create a separate reimbursement ceiling for Third Party Damages equal to \$1 million in addition to the \$1.5 ceiling for response actions (i.e. \$2.5 million total per Occurrence) All program regulations are being revised to update them with recent statute changes, current policies and practices.	Current funding of the UST program is provided by annual legislative appropriations as part of the overall state budget.
Michigan ²	Schedule of Costs Competitive bidding Pre-approval of excavation costs List of ineligible costs	A Legacy Release Program that will allow owners and operators to be reimbursed for costs related to releases that were reported prior to December 30, 2014 is being created. 50% of eligible costs for work performed after December 30, 2014 will be allowed up to a maximum of \$50,000 per site. Being funded by a separate funding mechanism that does not effect the state fund's financial status.	Financially sound.

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Minnesota	Fee schedule. Competitive bidding. Pre-approval of active remediation costs. Use of standard forms for proposing/invoice costs.	None	Financially sound.
Mississippi	Pre-approval of costs, use of standardization of hours for assessment and remediation, use of a fee schedule, use of standard forms for cost estimates, require competitive bidding	None	Solvent.
Missouri	Pre-approval of costs; require competitive bids if needed; personnel onsite to observe field work; use pay-for-performance in some cases	None	Excellent. Collaborative work with regulator and industry minimizes number of new leaks. Funding is available for all claims. Significant progress being made in reducing backlog.
Montana	Preapproved costs, approved rates, competitive Bids, appropriate Technology, established standards, statistical analysis, cost estimating tools.	None	Solvent: Continue to obligate available funds to releases which pose greatest threat to human health and the environment.
Nebraska	Cost estimates are a required part of work plans. Statute requires the use of a reasonable rate schedule. Bidding for larger projects is also an option. PFP was tried and has one last contract in process.	The 2017 legislative session passed bills to transfer money from the Fund: transfers to general funds \$1.2 million on July 3, 2017 and \$500,000 in July 2018. Also, up to \$1.5 million per year of the Fund may be used for Superfund cleanups.	RBCA Tier 1 & Tier 2 investigation program working well.
Nevada	Reference CEM Cost Guidelines and Policy Resolutions on our website at: https://ndep.nv.gov/environmental-cleanup/petroleum-fund/board-policy-resolutions	NDEP (Petroleum Fund) has new regulations/policy for the following: Grant program to upgrade portions of UST systems (primary focus is system components requiring periodic testing per new federal regulations - spill buckets, sumps, overfill). New policy allows for streamlining claim/payment process. We can process and pay a claim in weeks vs. months.	Fund is solvent.

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New Hampshire	Pre-Approval of All Reimbursable Work Except Emergency Response, Competitive Bidding on Large Remediation Projects	None	Fund is active. We continue to prioritize work based on site risk.
New Jersey	Cost Guidance Document Used for processing of estimates/ invoices	None since 2009	Current requests for funding exceed available funding. Requests for funding are prioritized for regulated UST facilities and Petroleum UST discharges that pose a threat to Human Health and the Environment. Unregulated UST requests for financial assistance are not reviewed for a period of 3-4 years as these requests for funding are prioritized based on actual available funds.
New Mexico		NA since 2004	Constant oversight and reconciliation is required and prioritization of sites activity as necessary to ensure that we do not over extend available funds.
New York	Typically Require an Off-Site Impact	None related to USTs	Fund is solvent.
North Carolina		Commercial Fund continuation review by legislature determine current funding mechanism appropriate; Noncommercial claims no longer accepted after 6/30/16, terminated 12/31/16	Comm - Active & Solvent Noncomm - Terminated 12/31/16 (final liabilities transferred to Commercial Fund for payment)
North Dakota		None	Fund is solvent.
Ohio	use standard forms for site assessment and corrective action plans require pre-approval of cleanup plans and/or budget limit overhead paid use pay-for-performance cover cleanups based on site-specific risk-based end points	At its November 29, 2017 meeting, the Board voted to reduce the annual fee by \$50 per UST. This change will be effective with the fee year beginning July 1, 2018.	The Fund continues to accept claims for releases discovered before and after 12/22/98. It is supported solely by annual tank fees, revenue bond proceeds, if any, and interest income. No change in the Fund as the State's financial responsibility mechanism is anticipated.

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Oklahoma	<ul style="list-style-type: none"> Use standard forms for site assessment and corrective action plans Require pre-approval of cleanup plans and/or budget Require competitive bidding (tank owner) Require use of fee schedule Limit overhead paid Use pay-for-performance Prioritize claims to conserve funds Certify contractors Cover cleanups based on site-specific risk-based end points 	<p>PSTD incorporated 40 CFR 280 by reference in the definitions of financial responsibility, financial security and lender liability; added underground piping as part of the system in the definition of underground storage tank; require statistical inventory reconciliation (SIR) analysis report on site every 30 days; disallowed non-functioning ball float replacement or repair; require permanent tank closure for not meeting temporary closure requirements; tank destruction upon removal; tank tightness testing with monthly inventory will be discontinued 6-30-18; require specific signage for single hoses dispensing ethanol and 100% gas; expanded reimbursable expenses to allow certain municipal fees incurred in conjunction with corrective action; updated codes and standards to current editions; and updated emergency/after hours contact phone numbers.</p>	<p>Active and Solvent: We consider our fund successful as remediation of sites is being accomplished, claims are being processed in a timely manner and the fund remains solvent.</p>
Pennsylvania	Competitive Bidding	<p>Act 61 was signed by Governor Wolf on 12/21/17. The Act replaces a former vacant seat on the Board with a representative from the PA Food Merchant's Association. It also adds two members from the Senate and two members from the House. It also increases the amount of allocations that DEP can request from the Board by an additional \$4.25 million.</p>	<p>Fund is financially viable and processes claims as they are submitted and confirmed for eligibility.</p>
Rhode Island		<p>Currently undergoing changes to regs to update after legislation passed allowing a sliding deductible, Fund regulations being merged with UST regulations are also being codified</p>	<p>The RI UST Fund disburses quarterly and is currently up to date on payment of claims.</p>

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South Carolina	<ul style="list-style-type: none"> •use standard forms for site assessment and corrective action plans •require pre-approval of cleanup plans and/or budget <ul style="list-style-type: none"> •require competitive bidding (tank owner) •require competitive bidding (state as agent of owner) <ul style="list-style-type: none"> •require use of fee schedule •use pay-for-performance •prioritize claims to conserve funds <ul style="list-style-type: none"> •certify contractors •cover cleanups based on site-specific risk-based end points •cover long-term monitoring/maintenance of engineering controls following risk-based closure 	none	2015 increase in tank fees generated \$4.445 million in cleanup funds (2017 calendar year).
South Dakota	<p style="text-align: center;">require pre-approval of cleanup plans and/or budget require competitive bidding (state as agent of owner) require use of fee schedule cover cleanups based on site-specific risk-based end points cover long-term monitoring/maintenance of engineering controls following risk-based closure</p>		The PRCF is able to pay all claims in a timely manner and has sufficient revenue to handle future claims.
Tennessee	<p style="text-align: center;">Use standard forms for site assessment and corrective action plans require use of fee schedule certify contractors cover cleanups based on site-specific risk-based end points require pre-approval of cleanup plans and/or budget</p>	Effective July 1, 2015 the State Fund cap was raised to \$2,000,000 per covered release.	Solvent.

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Texas	Use standard forms for site assessment and corrective action plans, require pre-approval of cleanup plans and/or budget, require competitive bidding (state as agent of owner), require use of fee schedule, limit overhead paid, certify contractors, cover cleanups based on site-specific risk-based end points	None	The fund is able to pay all invoices in a timely manner and has sufficient revenue to handle future invoices.
Utah	Work Plans & Budgets must be pre-approved by the PST Fund.	In 2016, the PST Fund surcharge increased from 0.5 to 0.65 cents per gallon. Rebates of up to 40% for UST facilities that upgrade their USTs to reduce risk of leaking into the environment. 10-year, 0% interest loans available to UST owner/operators to upgrade their USTs. Annual tank fund fee changed to \$150 if facility throughput is greater than 70,000 gallons and \$450 if facility throughput is 70,000 gallons or less.	Positive cash balance.
Vermont		In May 2018, the Governor signed legislation that extended the PCF sunset dates by 10 years for both claims and fee collections. On August 15, 2017, new AST Rules went into affect that required inspections of all ASTs within 3 years and every three years thereafter. Tank systems failing inspection are red-tagged preventing deliverires until repaired/replaced The rules are expected to reduce the number of releases and help stabilize the heating oil account.	As of June 2018, the fund is an excellent shape, with both the motor fuel and heating fuel accounts both running a positive balance. The financial pressure from a 1/1/18 single-wall combination tank deadline was less significant than anticipated on the motor fuel account. The heating fuel account may already be showing potential positive response to the new AST Rules requiring inspections. AST releases and claims are down and for the first time since the heating fuel account was created, we are running a non-weather related surplus in this account and will end FY2018 in the black. The extra monies will eventually be transferred back to the motor fuel account to repay past transfers required to keep the heating fuel account solvent.

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Virginia	Require pre-approval of cleanup plans and/or budget; require competitive bidding (tank owner); require use of fee schedule; limit overhead paid; cover cleanups based on site-specific risk-based end points.	No new or recent legislative activity.	Claims are released for payment once a month due to continued cash flow limitations.
Washington		Loan and Grant Program	Tax extended until 2030.
Washington-heating oil only	Pre-approval for costs Use of standard forms	None	Fee extended until 2030.

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West Virginia ³			Fund is no longer active.
Wisconsin	Usual and customary cost standards.	These changes have been adopted: No new claimants allowed into the program as of 7/20/2015. All claims must be submitted within 6 months of incurring costs. Program will sunset and all claims must be submitted by 6/30/2020	Sufficient funding until 2020.
Wyoming	Prequalify engineers and construction contractors; cost negotiations with engineer after qualifications-based selection; bid for construction work.	Excess funds may be used for landfill remediation or orphan site cleanups at the director's discretion. Tank work is priority of use of fund.	Fund is used to pay for cleanups based on priority. Third-party affected sites are also cleaned up using the fund. Majority of remediation funding is from a mineral severance offset equal to one cent per gallon of gasoline or diesel sold (not a tax collected at the pump).

* No updated response received for 2017 survey

¹ Washington, DC does not have a reimbursable state fund program, all RPs must comply with corrective action requirements through other FR mechanisms, usually private/self insurance. DOEE can administer state lead cleanup using LUST Trust Funds for emergency response and pursue cost recovery from the RPs.

² MI 2017 Update: Data provided is for new Fund created on December 30, 2014.

³ WV: No change of information for WV. WV does not have a state fund - the state insurance fund expended all remaining funds in 2003