



ASTSWMO, Providing Pathways to Our
Nation's Environmental Stewardship Since 1974

September 13, 2022

Barry Breen
Acting Assistant Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N. W. (MC: 5101T)
Washington, DC 20460

Carlton Waterhouse
Deputy Assistant Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N. W. (MC: 5101T)
Washington, DC 20460

RE: Federal Funding for the Underground Storage Tank (UST) Programs

Dear Barry and Carlton,

The Association of States and Territorial Solid Waste Management Officials (ASTSWMO) respectfully requests that the U.S. Environmental Protection Agency (EPA) address the decline in federal funding to State and Territorial (State) underground storage tank (UST) programs. The funding provided currently does not meet the necessary level for the effective implementation of State UST programs. Since fiscal year (FY) 2013, the overall level of extramural funding for the UST release prevention and cleanup programs has decreased with no adjustment for the increase in regulatory requirements or inflation. A summary of these trends is provided in Table 1 and Figure 1.

In 2014, ASTSWMO assessed the costs for operating and maintaining the State UST programs using extensive data provided by 25 States.¹ One of our conclusions was that future budget cuts would result in the reduction or elimination of mission critical work as the data showed that approximately half of the responding States had a heavy reliance on federal funds for compliance and cleanup activities. The study found that federal grants for the UST compliance and prevention programs funded on average approximately 50% of the reported States' costs with most directed toward program operations, compliance (ex., inspections), and enforcement. Specific to the States' Leaking UST (LUST) cleanup programs, federal grants funded on average approximately 30% of the costs of the States' cleanup programs with a large majority of funding directed to program operations and the oversight of corrective actions.

The static/decreasing nature of federal funding to and for State tank programs is inconsistent with the apparent available balance of Leaking UST (LUST) Trust Fund, as highlighted in Figure 2. Congress created the Leaking LUST Trust Fund to address petroleum releases from federally regulated USTs and expanded eligibility in 2005 to include specific leak prevention activities. However, historically, as the Trust Fund balance grows Congress has directed funds to other Departments and Agencies including \$2 billion in FY 2011 and \$1 billion in FY 2015.

¹ https://astswmo.org/files/policies/Tanks/New_2014-06-ASTSWMO_Tanks_Core_Report_FINAL2.pdf

Table 1: Cleanup and Prevention Extramural Funding from FY 2013 - FY 2022 (in \$millions)

Program	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 22 - 13
LUST State Cleanup	\$56.126	\$56.126	\$55.040	\$55.040	\$55.040	\$55.040	\$55.040	\$55.040	\$55.040	\$55.040	-2%
Cleanup Program Management	\$3.322	\$3.237	\$2.361	\$2.329	\$2.216	\$2.271	\$2.779	\$2.648	\$2.808	\$2.525	-24%
LUST State Prevention	\$30.326	\$27.127	\$26.867	\$26.867	\$26.867	\$26.867	\$26.867	\$26.818	\$26.844	\$26.844	-11%
Prevention Program Management	\$3.235	\$3.764	\$1.859	\$2.232	\$2.077	\$1.895	\$2.433	\$1.569	\$1.914	\$1.140	-65%
<u>Inflation</u>	101.5%	100.8%	100.7%	102.1%	102.1%	101.9%	102.3%	101.4%	107.0%	108.5%	

<https://www.usinflationcalculator.com/inflation/current-inflation-rates/>

Figure 1: Office of Underground Storage Tanks Budget Allocation vs. Inflation (in \$millions)

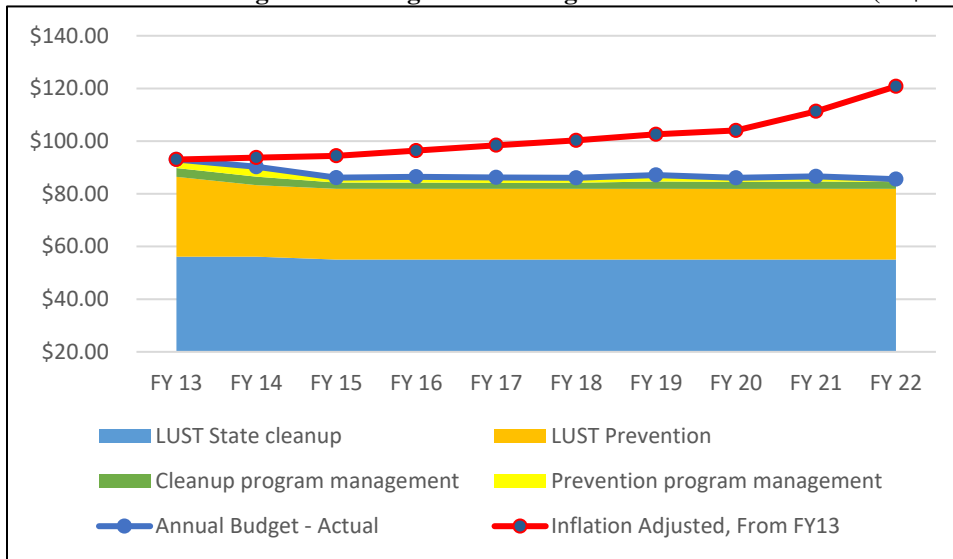
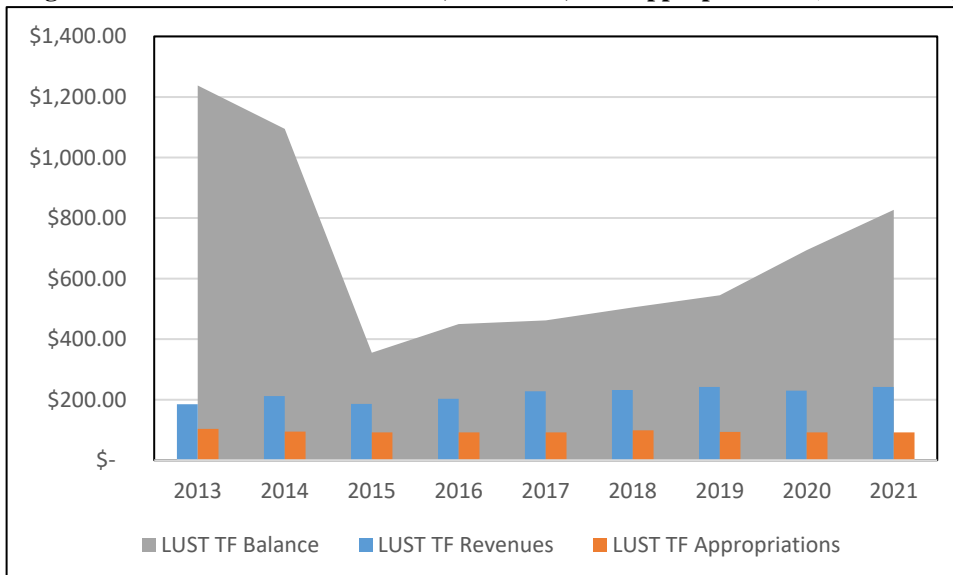


Figure 2: LUST Trust Fund Balance, Revenues, and Appropriations (in \$millions)



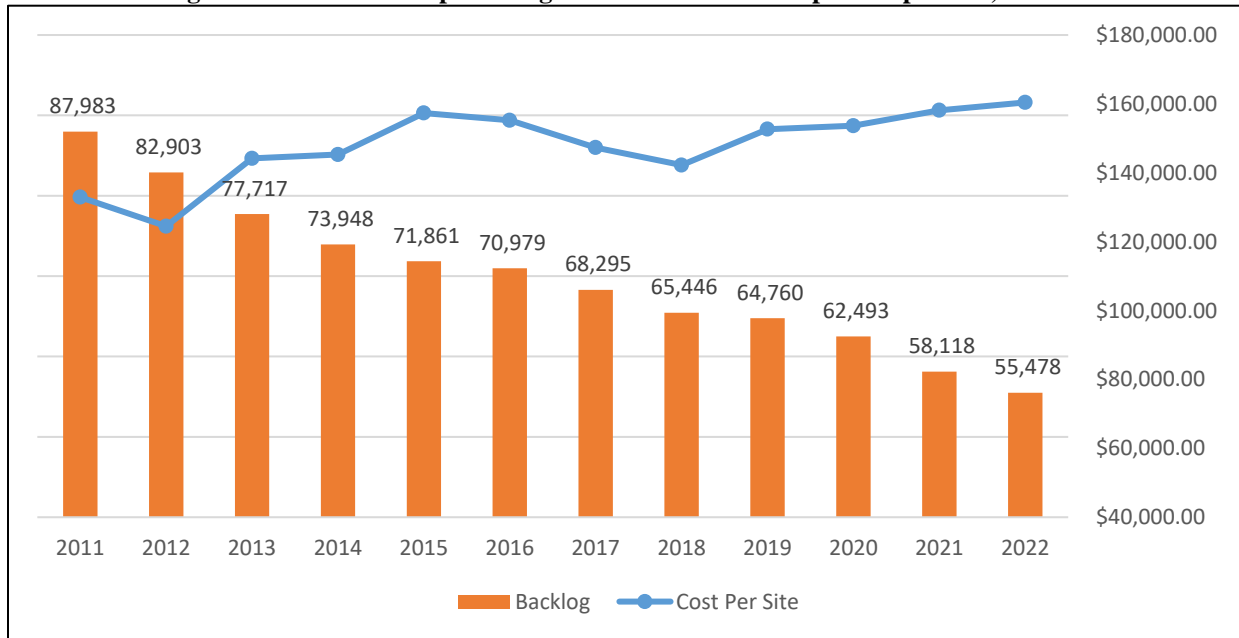
Some of the obstacles that State UST programs are now facing due to the decrease in federal funding to the programs include:

- **Program staffing:** Many States rely on federal funding through EPA grants for staffing costs. The loss of federal funding directly impacts these States' ability to implement their programs.
 - Prevention: Reduction in program staff results in fewer inspections, which are now more impactful considering the increased level of effort required for inspectors under EPA's 2015 regulatory revisions and changes to EPA reporting. Staffing limitations also reduce the time available for inspectors to help operators understand inspection results, regulatory requirements, and their equipment,
 - Cleanup: Reduction in program staff will likely result in fewer case closures and may lead to a longer cleanup period if a reduced number of State regulators are available to oversee an increased number of cases.
 - State Fund: For States using a State Fund to provide financial assurance for cleanups, this reduction may also impact state fund staffing and potentially delay cleanup.
- **Project funding:** Several States rely on EPA grant funding to address sites that are not eligible for financial assistance under their State-specific requirements (ex. orphan sites). Reduced funding directly impacts the cleanup and closure of these sites.
- **Training and contract support:** Funding for EPA extramural accounts to provide training and contract support is also decreasing and many States rely on these to ensure they are effectively managing their programs.

At the same time federal funding is decreasing and remaining flat, ASTSWMO members have identified and discussed additional issues with EPA in recent years that may increase costs for implementing the UST programs:

- **Cross-Program Issues**
 - Increased costs for supplies and services,
 - Increased level of data collection, evaluation, and tracking to meet federal reporting requirements including Environmental Justice and Justice40
 - Aging UST infrastructure and potential compatibility issues with emerging fuel blends (ex., E15). Some UST owners and operators rely on EPA and States to assist in system upgrades and incompatible fuels may increase releases in these systems.
- **LUST Prevention**
 - Delay in equipment repair/replacement/ability to meet compliance deadlines
 - Decreased availability of UST service providers (ex., testers, equipment repair/replacement, etc.)
- **LUST Cleanup**
 - Increased cost of cleanup as illustrated in Figure 3.
 - Decreased availability of subcontractors (drillers, laboratories, etc.)
 - Decreased availability to source supplies

Figure 3: LUST Cleanup Backlog and Estimated Cleanup Costs per Site, Annual



The ASTSWMO Tanks Subcommittee led by our Chairs, Tara Rosie (AZ) and Russ Olsen (WA) looks forward to supporting EPA OLEM and OUST in developing specific strategic actions to address these issues and concerns. If you have questions or need additional information, please contact Tara Rosie at rosie.tara@azdeq.gov and Russ Olsen at russ.olsen@plia.wa.gov.

Sincerely,

Timothy T. Ratsep (DE), President
ASTSWMO

- CC: Mark Barolo, EPA OUST
 Tony Raia, EPA OUST
 Will Anderson, EPA OUST
 Ray Worley, EPA OUST
 Faisal Amin, EPA OCFO
 David A. Bloom, EPA OCFO
 Tara Rosie, Arizona DEQ
 Russ Olsen, Washington State PLIA
 Dania Rodriguez, ASTSWMO
 Charles Reyes, ASTSWMO
 Gina Miranda, ASTSWMO



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

October 11, 2022

OFFICE OF
LAND AND EMERGENCY
MANAGEMENT

Timothy T. Ratsep (DE), President
ASTSWMO
1015 18th Street NW, Suite 803
Washington, DC 20036

Dear Tim:

Thank you for your recent letter about the federal Underground Storage Tank (UST) program. In this letter, you express concern that current funding levels are insufficient to ensure effective implementation of state UST programs and that current funding levels have not kept up with an increase in regulatory requirements or inflation.

We take these concerns very seriously and have recently taken steps to address them. As part of the FY2023 President's Budget, the EPA requested additional funding for state prevention grants and for prevention-related program management activities. We will be attentive to Congress's consideration of this request, and if you would like, our budget team will be happy to keep you posted. We also understand the need you expressed for additional cleanup grant funding.

We appreciate the concerns that you raised. Further, we appreciate the long-standing partnership between ASTSWMO and OLEM in making meaningful progress in the UST program. We look forward to working with you and ASTSWMO's Tanks Subcommittee to discuss specific opportunities and actions to address your concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Barry N. Breen", with a long horizontal line extending to the right.

Barry N. Breen
Acting Assistant Administrator

cc: Tara Rosie, Arizona DEQ
Russ Olsen, Washington State PLIA
Dania Rodriguez, ASTSWMO
Charles Reyes, ASTSWMO
Gina Miranda, ASTSWMO
Faisal Amin, EPA OCFO
David A. Bloom, EPA OCFO
Kent Benjamin, EPA OCPA

Ellen Manges, EPA OCPA

Dan Crystal, EPA ARMS

Mark Barolo, EPA OUST

Tony Raia, EPA OUST

Will Anderson, EPA OUST

Ray Worley, EPA OUST