

AUTO\$ENSE

ACTION IS OCCURRING ON THE UST CLEANUP FUND

Sacramento, The State Water Resources Control Boards ("SWRCB") Underground Storage Tank Cleanup Fund Task Force ("USTCF") has and is working hard to develop both short term as well as long term recommendations on improving the Fund's performance.

Realizing an emergency still exists, particularly for small business owners, urgent action is required as it relates to the issuing of backlogged reimbursement requests.

Task Force/USTCF Staff accomplishments to date:

1. Reallocation of program funds has allowed \$11.5 million to be moved from third quarter and fourth quarter fiscal year 2009-10 and is available for claim reimbursement in the first and second quarters of fiscal year 2009-10.

2. The Task Force discussions with the USTCF staff further illuminated the importance of administrative procedure and cost management for reliable and robust reimbursement program

3. Procedural cures, like the manner and frequency of USTCF staff and Claimant/Service Provider communicates during claim review and processing efficiencies.

Immediate Term Issues

A. Expedite Disbursement of Currently Approved Payments.

Funds are now available for payment from July Revenues. The Task Force request SWRCB to direct staff to the following actions to:

1. Disburse a minimum of 50% of funding within 30 days after receipt from BOE; and
2. Distribute the balance within 45 days.

B. Access to Capital

Work is underway to provide access to outside capital and, for a defined period, allow the cost of capital (finance charge) to be claimed as all eligible expense for reimbursement.

C. Un-Suspend Letter of Commitment

Task Force request USTCF un-suspend the letters of commitment (LOC) issued to "C" and "D" claimants.

This will help claimants and consultants secure interim financing.

D. Processing of Reimbursement Request Presently in House

Task Force request additional staff to address the backlog of unprocessed reimbursement requests. Once processed, and a commitment to pay a defined amount has been made, a claimant can use this commitment to secure financing.

E. Health & Safety Code Section 25296-25

Needs regulatory support so that the statute can be enacted. If enacted claimants may defer corrective action for non-emergency sites until the claim to the USTCF was accepted and the claimant obtained corresponding access to reimbursement funds.

One recommendation the Task Force is making to the SWRCB will be to allow the task force to reconvene in 2010 following delivery of the independent auditor's report rather than dissolving the Task Force at the end of 2009. As the Task Force developed its letter for the auditors it's become clear that the audit would include valuable information, findings and recommendations that the Task Force should evaluate and consider for possible further program refinements to the SWRCB and the staff of USTCF.

NEED SAFETY PROGRAM INFORMATION OR HAVE SAFETY QUESTIONS?

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