UST Tank Fee Increase in 2017

Toxics Cleanup Program



Underground storage tank (UST) fees will increase from \$160 to \$166.99 per tank on July 1, 2017.

This fee increase will offset increasing program costs and a decrease in federal funding assistance. Washington's UST Program financing is outlined below.

UST Program Financing

<u>Funding Sources</u>: Washington's UST Program has two main sources of funding: UST fees and federal grant funds from the Environmental Protection Agency (EPA).

Revenues: The last time the UST fee increased (from \$140 to \$160) was July 1, 2009. Since FY 2010, program revenues have declined from roughly \$2.4 million a year to about \$2.2 million a year. This decline is largely due to reductions in EPA grant funding over the last several years. Given the federal budget situation, this trend is expected to continue.

Effective Date:

July 1, 2017

Contact

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Accommodation Requests

To request ADA accommodation including materials in a format for the visually impaired, call Ecology at 360-407-7170.

Persons with impaired hearing may call Washington Relay Service at 711. Persons with speech disability may call TTY at

877-833-6341.

Expenditures: Tank fees were implemented to fund the UST regulatory program. Currently, the fees do not cover the entire state cost of the program, which is funded by a combination of federal grants, State Toxics Control Account funds, and the per-tank fee. Since FY 2010, Ecology has used an increasing amount of State Toxics Control Account money to fund UST Program expenditures, as federal funding has declined and operational costs to run the program have increased. Ecology anticipates that program costs will continue to grow.

Fiscal growth factor: The fiscal growth factor was used to determine the amount of fee increase. The fiscal growth factor is calculated by the Economic and Revenue Forecast Council and adopted by the Expenditure Limit Committee using the average growth in state personal income for the previous ten fiscal years.

<u>Future fee increases</u>: Ecology will reassess the program budget in the future to determine if this fee increase is enough to close the budget gap. If additional funding is needed, Ecology may pursue additional fee increases based on the fiscal growth factor.