



UST Program Facts

Leaking Underground Storage Tank Trust Fund

Establishment of the Leaking Underground Storage Tank (LUST) Trust Fund

Congress created the LUST Trust Fund in 1986 under the Superfund Amendments and Reauthorization Act (SARA). In December 1990, Congress reauthorized the Trust Fund for five more years.

The purpose of the LUST Trust Fund is to provide money to clean up leaking underground storage tanks (USTs). The Trust Fund can be used at sites where no owner or operator can be found. It also can be used to oversee corrective action by a responsible party.

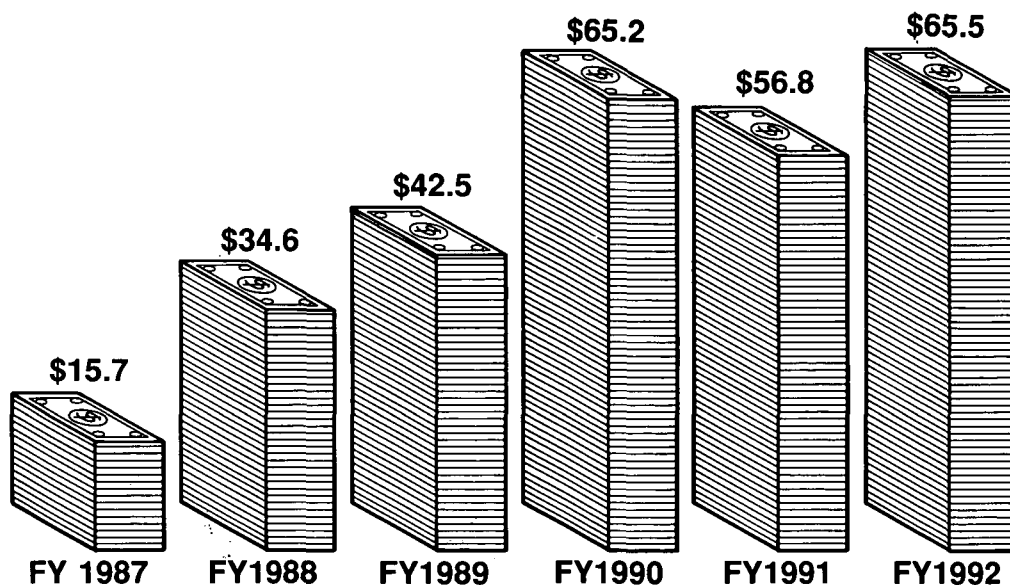
Source of money for the Trust Fund

The Trust Fund is generated with a 0.1 cent tax on each gallon of motor fuels sold in the country.

Amount of money in the Trust Fund

As of October 1, 1992, about \$855 million had been collected. Congress has given \$400 million to the U.S. Environmental Protection Agency (EPA) through fiscal year 1993. About \$343 million – or 86 percent of the amount given to EPA – was dispersed to state programs for state officials to use as needed. The rest of the money spent

**LUST Trust Fund Allocation
For State Cooperative Agreements**
Federal Awards in Millions of Dollars



from the Trust Fund, about \$57 million or 14 percent of the total, was used by EPA headquarters and regional offices for administrative activities such as:

- negotiating and overseeing cooperative agreements,
- implementing programs on Indian lands, and
- supporting regional and state offices.

How the Trust Fund works

To receive money from the Trust Fund, a state must enter into a cooperative agreement with the federal government to spend the money for its intended purpose. Every state except Florida – which has its own \$160 million state cleanup fund – has a cooperative agreement with EPA. The money is divided among EPA regional offices based on a formula that uses state data. In fiscal year 1993, each state receives a base allocation plus additional money depending on: the number of confirmed releases in the state; the number of notified petroleum tanks; the number of residents relying on groundwater for drinking water; and the number of cleanups initiated as a percent of total confirmed releases.

How states use Trust Fund money

States use Trust Fund money to clean up sites where no responsible party can be found – about 1 percent of all cases – and to oversee corrective action by a responsible party. To date, states have used about two-thirds of their Trust Fund money for administration, oversight and state-lead enforcement activities, and one-third for cleanups.

Estimated number of leaking USTs

Many USTs installed in the United States in the 1950s and '60s were made of bare steel or coated only with tar or lead paint. Many of these tanks are corroded and prone to leak. Until EPA regulations went into effect, however, USTs were not systematically monitored for leaks. EPA estimates that between 15 and 25 percent of regulated tanks, or from 240,000 to 400,000 tanks, may be leaking or will leak. As of October 1, 1992, EPA, states, and local agencies have confirmed nearly 184,000 releases.

Cost of an average cleanup

Cleanup costs depend on a variety of factors, including the extent of contamination and state cleanup standards. The average cleanup is estimated to cost \$100,000. If only a small amount of soil needs to be removed or treated, cleanup costs could run as low as \$10,000 to \$20,000. Corrective action for leaks that affect groundwater can cost more than \$1 million.

Estimated number of cleanup activities

From 1990 through September 1992, states used Trust Fund and state money to:

- Confirm more than 184,000 releases,
- Oversee or conduct 6,300 emergency responses,
- Oversee or initiate 129,000 cleanups, and
- Oversee or complete 55,000 cleanups.

Estimated number of USTs that have been closed

As of September 1992, an estimated 484,000 tanks had been closed.

Leaking Underground Storage Tank Trust Fund is one in a series of fact sheets about underground storage tanks (USTs) and leaking USTs. The series is designed to help EPA, other federal officials, and state authorities answer the most frequently asked questions about USTs with consistent, accurate information in language the layperson can understand. Keep the fact sheets handy as a resource. This fact sheet addresses federal regulations. You may need to refer to applicable state or local regulations, as well. For more information on UST publications, call the RCRA/Superfund Hotline at 800 424-9346.