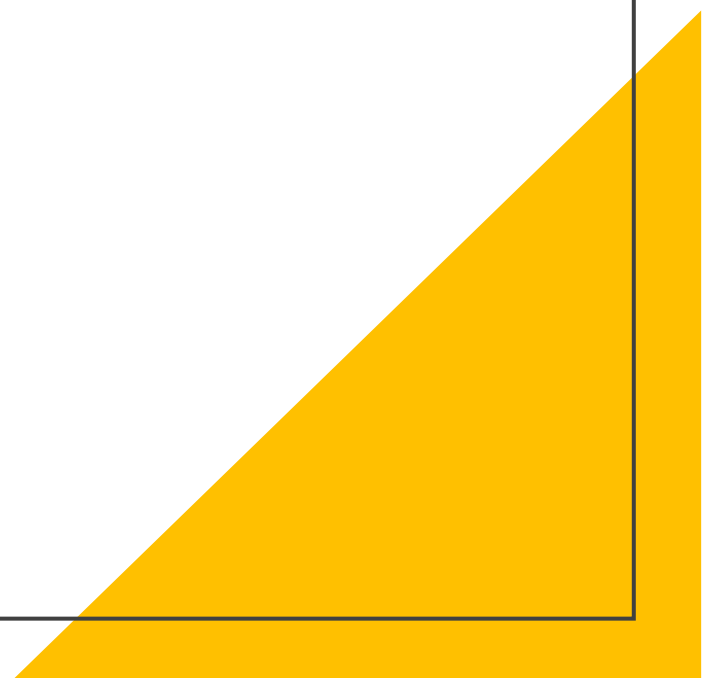
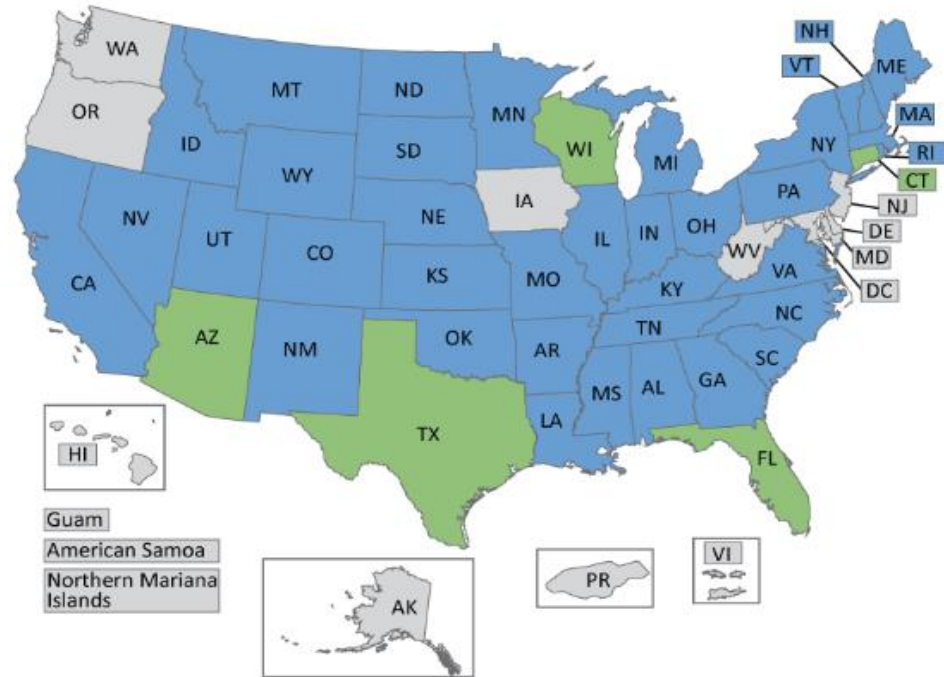


State of State Funds

National Tanks Conference
September 2022



State Funds Background



- Active Fund Pays for New and Past Releases**
(36 states)
- Phased Out Fund Pays for Releases Prior to Phase Out**
(5 states)
- No EPA Approved State Fund**
(9 states, DC, and 5 territories)

What is EPA's Role in State Funds?

- EPA approves each fund
- Annual fund review of environmental and financial performance:
 - 4 guiding questions:
 - How quickly is the fund reducing its federally-regulated, fund-eligible (FRFE) cleanup backlog?
 - Does the fund have sufficient resources to address its FRFE backlog?
 - Will the fund have enough resources to further reduce its FRFE backlog?
 - Are there any major or pending changes to the fund?

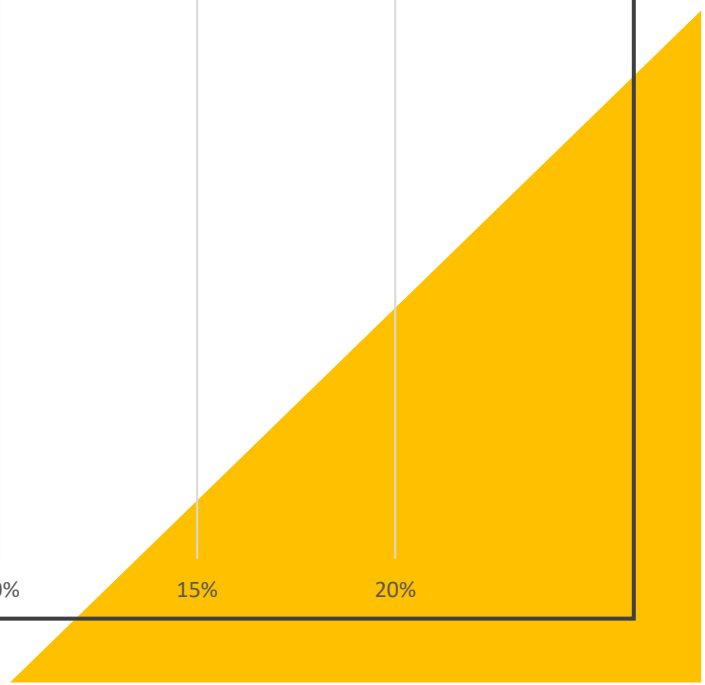
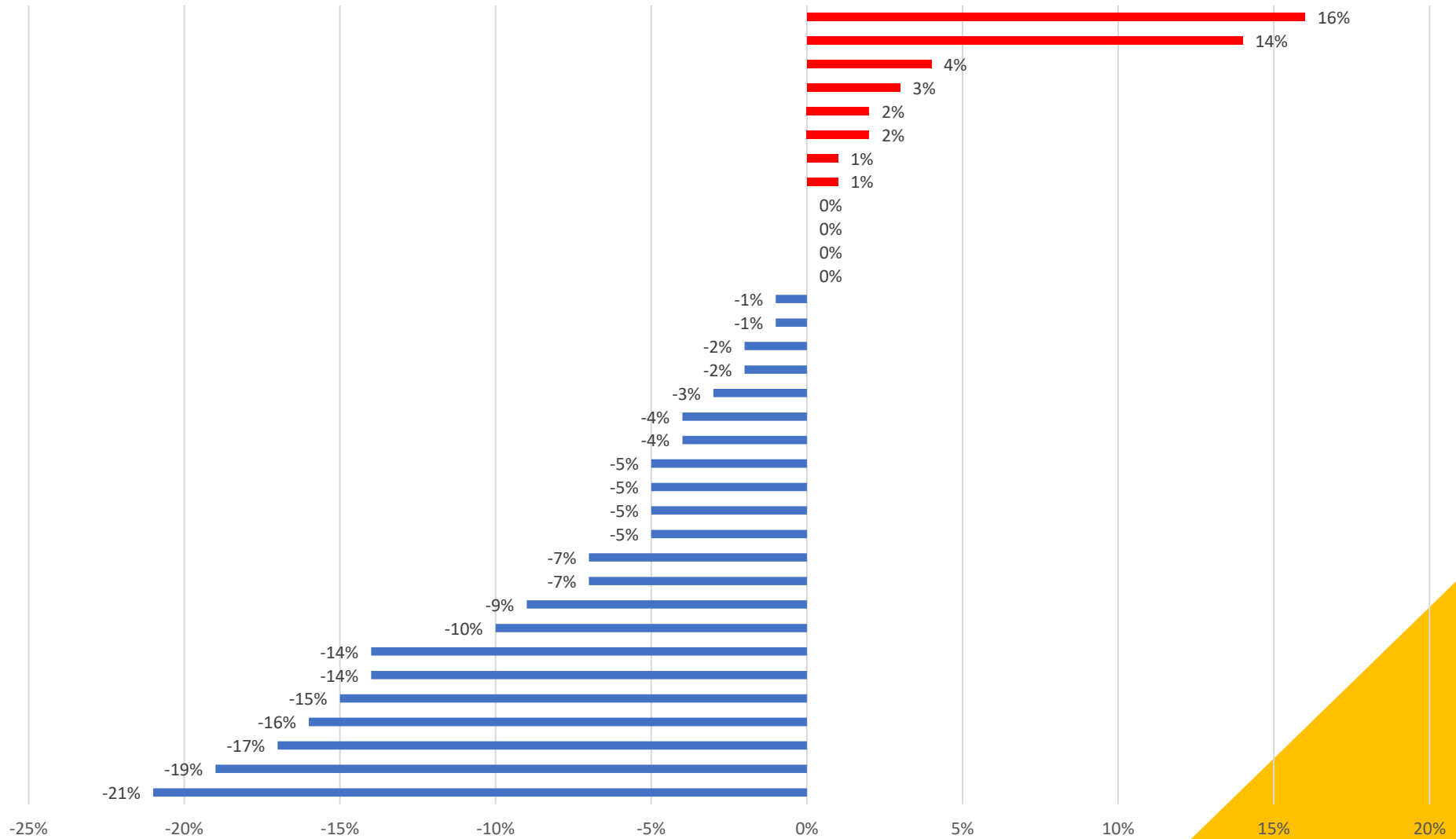
State of State Funds in FY21

A Snapshot

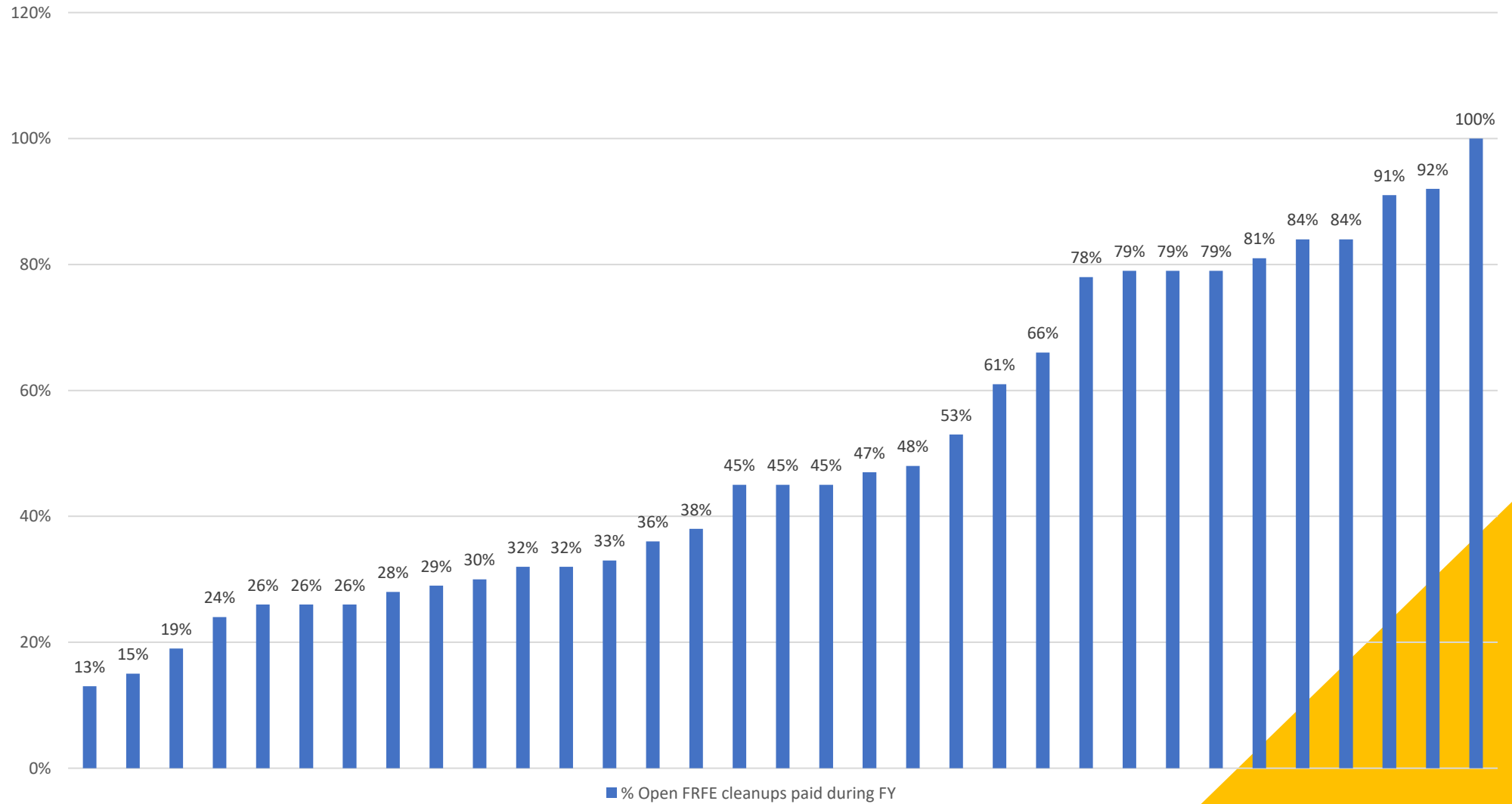
General Findings From FY21 Review

- 34 states completed SFS workbook (not CA or NY)
- Lingering covid effects: staffing, supply chain issues, transfers out
- Most funds appear to be doing fine
- 65% of funds reduced their backlog
- \$353,166,301 spent on contractor reimbursement
- Variability shown in following slides

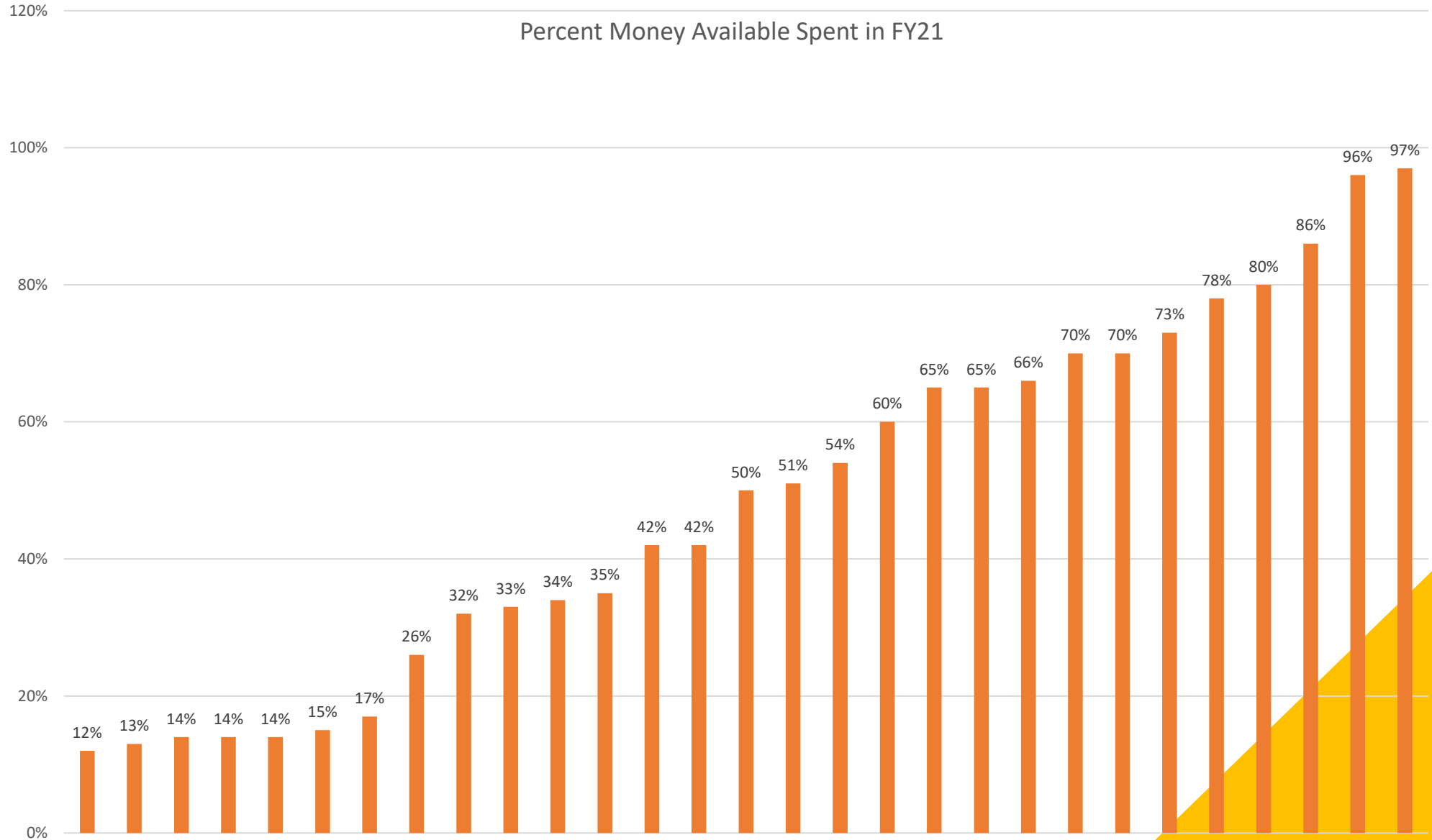
% FRFE backlog change during FY



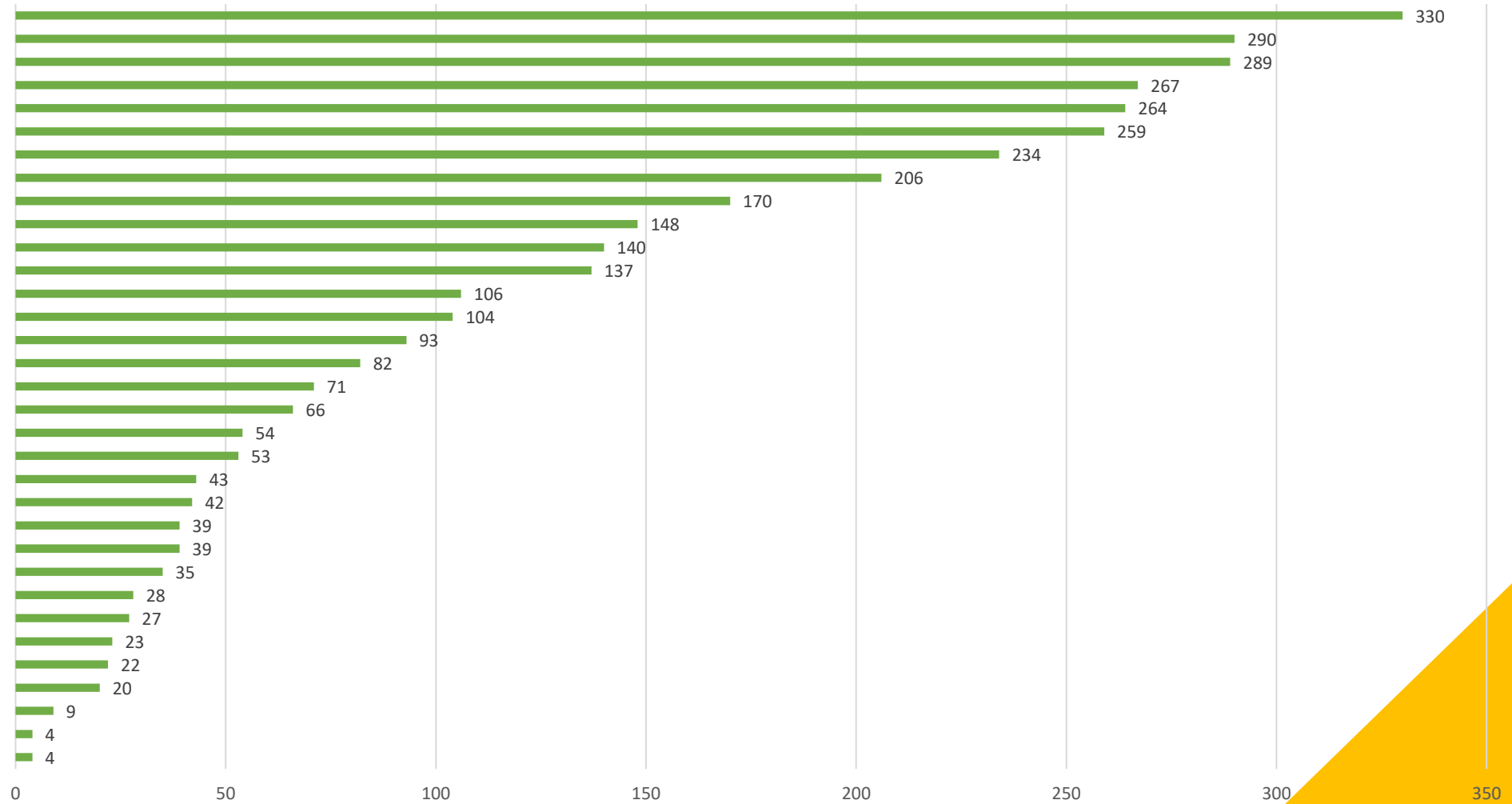
% Open FRFE Cleanups Paid During FY21



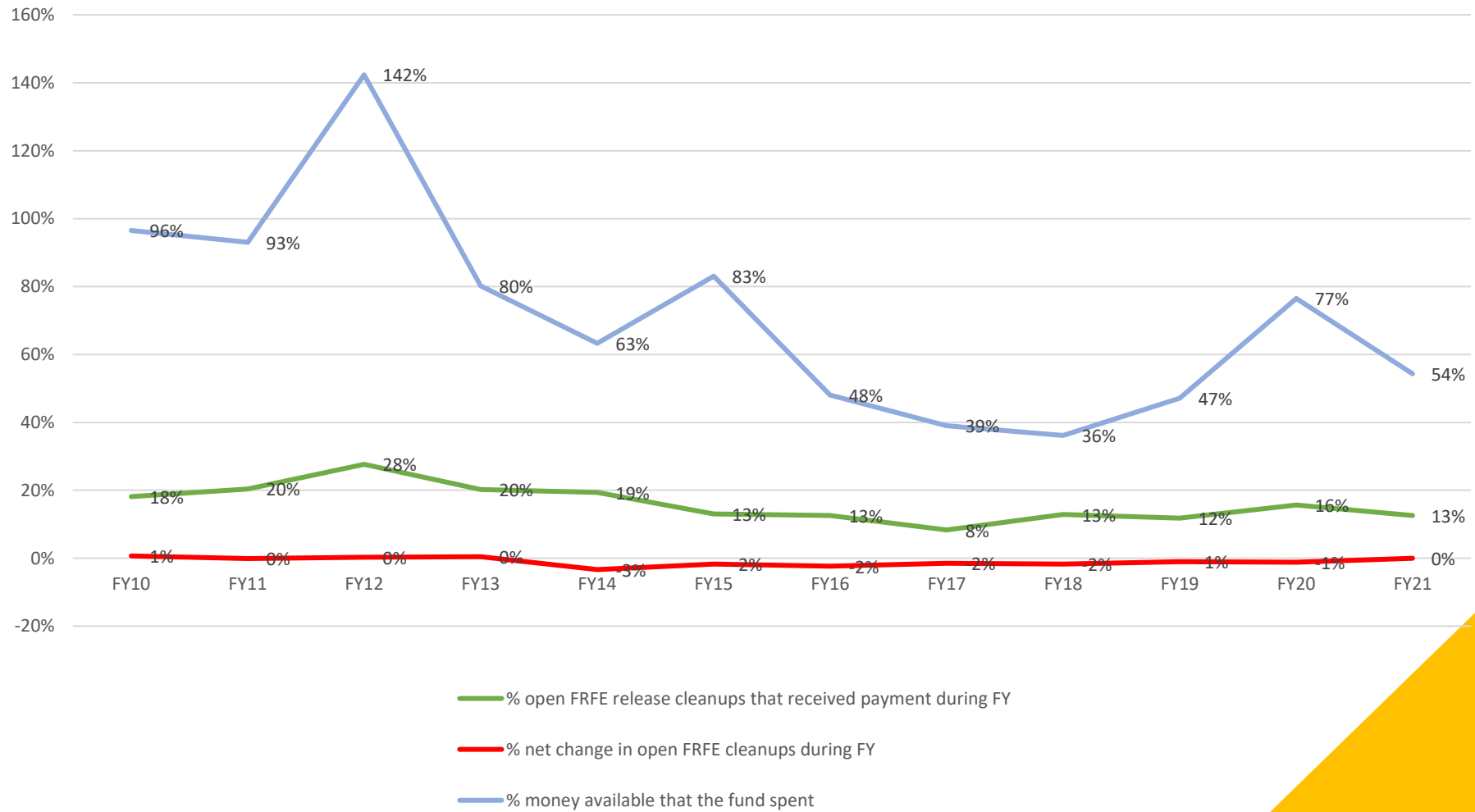
Percent Money Available Spent in FY21



For all cleanups completed this FY: Time from release report to completion



Backlog Reduction, Spending, and Sites Receiving Payments



Potential Problems

- Not enough money
 - Insufficient fund revenue
 - Raids/transfers out
- Not enough staff
 - LUST program for site management
 - Fund program for claims processing
- Coordination between LUST program and fund

Potential Solutions

- Raise more money
- Consider third party financing
- Reduce or limit liability
- Streamline processes/improve operations
 - Implement/improve electronic claims submission and processing

What's
Next in
State Fund
Soundness
from
OUST?

- FY22 Workbook Review
- Engaging with some states to improve fund performance