

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7959

BILL NUMBER: HB 1578

DATE PREPARED: Jan 14, 1999

BILL AMENDED:

SUBJECT: Underground storage tank grant program.

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill allows the Indiana Development Finance Authority to use money in the Underground Storage Tank Guaranty Fund to award grants to certain underground storage tank owners and operators who closed or removed underground storage tanks after December 31, 1997, and before July 1, 1998.

It transfers \$120,000 from the Underground Petroleum Storage Tank Excess Liability Trust Fund to the Underground Storage Tank Guaranty Fund to be used by the Indiana Development Finance Authority to award grants to these underground storage tank owners and operators.

Effective Date: July 1, 1999.

Explanation of State Expenditures: This bill provides that underground storage tank (UST) owners and operators who close or remove USTs after December 31, 1997 and before July 1, 1998 are eligible for a grant from the UST Guaranty Fund. Currently, only UST owners and operators who close or remove tanks after June 30, 1998 are eligible. It is estimated that there are 8 to 12 UST owners and operators who would be eligible under this bill. Grants awarded from the UST Guaranty Fund have ranged from \$5,000 to \$15,000.

This bill appropriates \$120,000 from the Underground Petroleum Storage Tank Excess Liability Trust Fund (ELTF) to the UST Guaranty Fund. The balance of the ELTF was approximately \$51 million as of June 30, 1998. The UST Guaranty Fund was initially funded with a one-time transfer from the ELTF and does not have any current funding sources. As of November 1998, only about \$30,000 of approximately \$640,000 remains uncommitted.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Development Finance Authority; Indiana Department of Environmental Management.

Local Agencies Affected:

Information Sources: Lara Beck, Indiana Development Finance Authority, 233-4332.