

21J Fund: A Budget Crisis & How You Can Help

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An important funding mechanism for underground storage tank (UST) clean-ups in Massachusetts is in jeopardy and your assistance is needed.

The Massachusetts Underground Storage Tank (UST) Petroleum Product Cleanup Fund (commonly referred to as the 21J Fund) was created in 1991 pursuant to Massachusetts General Law Chapter 21J. The purpose of the 21J Fund is to prevent the need for environmental cleanup actions through encouraging UST maintenance and compliance, and to expedite environmental cleanup actions by providing partial reimbursement to owners or operators of UST systems for costs, expenses and other obligations incurred as a result of releases of petroleum products from UST systems. Due to a current budget deficit, the fund was reduced in 2017 and is expected to be cut even more in 2018. Please read on for more information about the fund and what you can do to help.

Prior to 2003, the 21J Fund was dedicated to petroleum cleanups and was funded through a combination of an annual UST compliance fee (incurred on a per UST basis) and a per gallon fee incurred during the delivery of petroleum from a bulk facility (approximately \$15 million per year). In 2003, the dedicated 21J Fund was eliminated and the per gallon delivery fee was increased from 0.5 cents to 2.5 cents with all fees collected flowing to the state's General Fund account and subject to legislative appropriation (approximately \$75 million per year). In 2014, the 21J Fund was placed in the Transportation Account and remained subject to annual appropriations.

The total appropriation to the 21J Fund for Massachusetts Fiscal Year (FY) 2017 was \$10 million, but it was subsequently cut to \$7 million in December 2016. This has resulted in the 21J Fund being unable to issue payment for claims at the approximate mid-point of the Commonwealth FY 2017. Due to the budget cut, an approximate \$6 million deficit in unpaid claims (claims processed and approved but unable to be paid) is projected for the end of FY 2017. Compounding this current problem is that the Governor's FY 2018 budget recommendation only includes \$6 million for the 21J Fund. This would only be enough to fund the projected FY 2017 deficit.

The 21J Fund is a key means by which Potentially Responsible Parties of UST sites fund environmental cleanups. If the current trend in funding continues, the time to receive reimbursement for a claim would extend to years. Without adequate and timely funding, environmental cleanup actions slow down. The 21J fund is one of the first green jobs programs and it supports consultants, contractors, and laboratories in the effort to clean-up the environment for the benefit of all in the Commonwealth.

How You Can Help: Please, reach out to your state senator and state representative to let them know the importance of providing adequate and predictable funding for the UST Cleanup Fund. You can identify your legislator using this link:

<https://malegislature.gov/Search/FindMyLegislator>

Thank you in advance for taking action to support this critical resource to the environmental remediation industry and the environment.