

# **BOARD APPROVES FEE INCREASE**

As in past years, the Board has reviewed and updated its projected income and expenses over the next ten years. These projections consider historical information about claims, the projected UST population, the minimum Fund balance requirements imposed by the bond covenants, and projected claims liability. Based on this review, claim payments are projected to be \$10 million through the 2005 program year; \$9 million for the 2006 and 2007 program years; and \$8 million for the 2008 program year. It should be noted that these projections are general estimates and are no guarantee of actual expenses.

To continue to reimburse at these projected levels, the Board determined that an increase in the annual tank fee is necessary. Therefore, the Board has proposed to amend 3737-1-04 of the Ohio Administrative Code to increase the per tank fee by \$50 to \$550 per year (with a \$55,000 deductible) and \$700 per year (with an \$11,000 deductible). The fee increase will start with the July 1, 2005 program year.

Based upon the new projections and continued claim demand, it is conceivable that another \$50 increase will be required next year. However, that decision will not be made until late this calendar year, based upon updated claim liability estimates and new eligibility applications.

As always, the Board will strive to balance the objectives of maintaining reasonable fees while keeping pace with necessary corrective action costs.

## **FIVE-YEAR RULE REVIEW**

In addition to the fee change and pursuant to the state requirements for a review of administrative rules every five years, the Board has also proposed several other rule amendments. In conducting this review, the Board considered a number of issues that included:

- the continued need for each rule;
- complaints or comments received concerning each rule;
- any relevant factors that may have changed in the subject matter affected by the rule; and,
- proposed changes to the BUSTR corrective action and other UST rules.

While some proposed changes involve “house keeping” matters, others are more substantive. We have already discussed the proposed fee increase and the reasons for this increase but on page 2 there is a brief discussion on some of the other changes as well.

## **Board/BUSTR Seminars**

The Petroleum Board and BUSTR will hold three seminars in May to explain the changes made during each agencies' five-year rule review. **Please see page 4** for details of the seminars and a brief discussion on transitioning to BUSTR's new corrective action rule and the Board's new annual free product recovery evaluation and cost pre-approval requirements.