Replacing, Removing, or Upgrading Underground Storage Tanks Loan Program

Replacing, Removing, or Upgrading Underground Storage Tanks (RUST) loans are available to assist small business underground storage tank (UST) owners and operators in financing up to 100 percent of the costs necessary to upgrade, remove, or replace project tanks, including corrective actions, to meet applicable local, state, or federal standards, including, but not limited to, any design, construction, monitoring, operation, or maintenance requirements adopted pursuant to Health and Safety Code section 25284.1, 25292.05, 25292.4, or 41954.

Loan Terms

Low-interest loans are available for between $10,000 and $750,000, for a term of 10 or 20 years.

- Ten-year loans are secured by the Uniform Commercial Code Financing Statement on business assets.
- Twenty-year loans are secured by a deed of trust on real estate with adequate equity.
- A loan fee of 2 percent must be paid at final loan closing.
- Please contact the State Water Board or your local Financial Development Corporation for the current interest rate.

Eligibility Requirements

Loan applicants must be a UST owner and/or operator and meet all of the following requirements:

- The loan applicant is a small business that employs fewer than 500 full-time and part-time employees, is independently owned and operated, and is not dominant in its field of operation;
- The loan applicant’s principal office and its officers must be domiciled in California;
- All of the tanks owned and operated by the loan applicant are subject to compliance with Health and Safety Code chapter 6.7 and the regulation adopted pursuant to that chapter;
- The loan applicant must provide financial and legal documents necessary to demonstrate the ability to repay the loan and availability of adequate collateral to secure the loan; and
The loan applicant must have complied, or will comply, with the financial responsibility requirements specified in Health and Safety Code section 25299.31 and the regulations adopted pursuant to this section.

This is not a reimbursement program. Work cannot begin until you have an agreement executed by the State Water Board.

If you would like to apply for a loan from the RUST Program, please contact your local Financial Development Corporation. A list of Financial Development Corporations can be found at: http://www.waterboards.ca.gov/water_issues/programs/ustcf/docs/rust/fdc_listings.pdf.

For information regarding the RUST Loan Program, contact:
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