

2026 Regular Session

SENATE BILL NO. 505

BY SENATOR CATHEY

ENVIRONMENTAL CONTROL. Provides relative to the Motor Fuels Underground Storage Tank Trust Dedicated Fund Account. (8/1/26)

1 AN ACT

2 To amend and reenact R.S. 30:2195.2(A)(5) and (6)(b), (c), (d), and (e), and to enact R.S.  
3 30:2195.2(f) and (g), relative to the Motor Fuels Underground Storage Tank Trust  
4 Dedicated Fund Account; to provide for time limits; to provide for single and total  
5 grant amounts; to provide for minimum account balances; to provide for limitations;  
6 to provide for eligible applicants; to provide for ownership disclosure; to provide for  
7 application periods; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 30:2195.2(A)(5) and (6)(b), (c), (d), and (e) are hereby amended and  
10 reenacted, and R.S. 30:2195.2(A)(6)(f) and (g) are hereby enacted to read as follows:

11 §2195.2. Uses of the Tank Trust Account

12 A. The department shall administer the Tank Trust Account and shall make  
13 disbursements from the account for all necessary and appropriate expenditures.

14 Pursuant to the authorization in R.S. 30:2195, the secretary of the Department of  
15 Environmental Quality shall use the Tank Trust Account as follows:

16 \* \* \*

17 (5) The Tank Trust Account may be used to make payments to a third party

1 who brings a third-party claim against the secretary of the department and any owner  
 2 of a motor fuel underground storage tank because of damages sustained by a release  
 3 into the groundwater, surface waters, or soils and who obtains a final judgment in  
 4 said action enforceable in this state against the owner and the secretary if and only  
 5 if it has been satisfactorily demonstrated that the owner was an eligible participant  
 6 at the time that the release occurred as defined in R.S. 30:2194(B)(3). The  
 7 ~~indemnification~~ limit of the trust with respect to satisfaction of third-party claims  
 8 shall be that which is necessary to satisfy federal petroleum underground storage  
 9 tank financial responsibility requirements.

10 (6) \* \* \*  
 11 \* \* \*

12 (b) Grants provided pursuant to this Paragraph shall only be made in the form  
 13 of reimbursement for completed upgrades and improvements after inspection and  
 14 approval by the department. **Applicants shall complete the upgrade or**  
 15 **improvement no later than three fiscal years beyond the fiscal year of approval**  
 16 **for participation in the program.**

17 (c) ~~No grant or loan shall exceed one hundred fifty thousand dollars, and the~~  
 18 ~~total amount of grants per year shall not exceed three million dollars~~ **The board**  
 19 **annually shall limit the maximum amount of funds to be awarded for a single**  
 20 **grant or loan, not to exceed three hundred thousand dollars.**

21 (d) **The board annually shall limit the total amount of funds to be**  
 22 **awarded for grants and loans in an amount not to exceed six million dollars.**

23 (e) Eligible applicants may only apply for one grant or loan each year. **For**  
 24 **purposes of this Subparagraph, an eligible applicant shall be the natural person**  
 25 **or juridical entity that owns the underground storage tank project facility**  
 26 **where the grant will be applied. Applicants shall be required to disclose the**  
 27 **ownership structure of the underground storage tank project facility.**

28 (f) **The maximum number of grants and loans awarded per**  
 29 **application period and per year shall be set by the board, not to exceed fifteen**

