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COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA INSURANCE DEPARTMENT

F I N A L M I N U T E S

MEETING OF:

**UNDERGROUND STORAGE TANK INDEMNIFICATION BOARD
FOURTH QUARTER BOARD MEETING**

TIME: 10:00 A.M.

Held at

PENNSYLVANIA INSURANCE DEPARTMENT

901 North 7th Street

Capital Associates Building

First Floor Conference Center, Forster Room

Harrisburg, Pennsylvania 17102

as well as

VIA MICROSOFT TEAMS

December 11, 2025

1 Underground Storage Tank Indemnification Board
2 Fourth Quarter Board Meeting
3 December 11, 2025
4
5

6 BOARD MEMBERS:
7

8 J. Stephen Hieber, Chairman
9 Stephanie J. Catarino Wissman, Vice Chair
10 Kevin Forsythe, Board Member
11 J. Andy Greiner, Board Member
12 Nila Manning, Board Member
13 Ted Harris, Alternate for Nila Manning, Board Member
14 Kris A. Shiffer, Alternate for Jessica Shirley, Board
15 Member
16 Laura Lyon Slaymaker, Alternate for Michael
17 Humphreys, Board Member
18 Carrie A. Nace, Board Member
19 William Buckfelder, Board Member
20 Alex Baloga, Board Member
21 Michael Howells, Alternate for Alex Baloga, Board
22 Member
23 Senator Chris Gebhard, Board Member
24 Emily Eyster, Alternate for Senator Carolyn Comitta,
25 Board Member
26 Andrew W. McMenamin, Alternate for Representative
27 Greg Vitali, Board Member
28 Eiman Elkafrawi, Alternate for Chris Hartman, Board
29 Member
30
31

32 COMMONWEALTH STAFF PRESENT:
33

34 Benjamin Lorah, Executive Director, USTIF
35 Preston M. Buckman, Esquire, USTIB Board Counsel
36 Carole Clarke Smith, Esquire, Counsel for USTIF
37 H. Kraig Wilson, Claim Evaluator, USTIF
38 Teresa Isabella, Claim Evaluator, USTIF
39 Lisa Fry, Financial Operations Manager, USTIF
40 Miles Hazan, Administrative Operations Manager, USTIF
41 Michael Snow, Information Technology Generalist 2,
42 Pennsylvania Insurance Department
43 Lindsay Williamson, Esquire, Pennsylvania Department
44 of Environmental Protection
45 Randy Martin, Storage Tank Program Manager,
46 Pennsylvania Department of Environmental Protection
47 Timothy Slack, Solid Waste Program Specialist,
48 Pennsylvania Department of Environmental Protection
49 Scott Kast, Information Technology Staff,
50 Pennsylvania Insurance Department

Underground Storage Tank Indemnification Board
Fourth Quarter Board Meeting
December 11, 2025

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ALSO PRESENT:

- Kevin Burke, Director Environmental Claims, ICF
- Kimberly Stank, Partner, Zelenkofske Axelrod, LLC
- Kayla DeMar, Partner, Zelenkofske Axelrod, LLC
- Charles Kullmann, Senior Actuarial Consultant, AON
- James Ferro, Claims Manager, ICF
- Linda Crabb, Claims Manager, ICF
- Belinda Wilson, Claims Manager, ICF
- Debra Bollana, Claims Manager, ICF
- Rachel Wilbur-Adams, Sargent's Court Reporting Service, Inc.

1 ***

2 Underground Storage Tank Indemnification Board

3 Fourth Quarter Board Meeting

4 December 11, 2025

5 ***

6 The regularly scheduled meeting of the
7 Underground Storage Tank Indemnification Board was
8 held on Thursday, December 11, 2025. J. Stephen
9 Hieber, Chairman, called the meeting to order at
10 10:00 a.m.

11 ***

12 Roll Call

13 [A roll call of Board members was taken by Ben Lorah,
14 Executive Director. A quorum of Board members was
15 noted to be present.]

16 ***

17 [Benjamin Lorah, Executive Director, noted the
18 meeting was being recorded and continued
19 participation constituted consent to be recorded. AI
20 transcription software tools are prohibited, and such
21 tools will be disabled or removed by the meeting
22 organizers. If the AI transcription tools cannot be
23 disabled or removed, the meeting will be ended.]

24 ***

25 Introductions

1 [Ben Lorah, Executive Director, requested attendees
2 introduce themselves for the record.]

3 ***

4 New Business - Adoption of Third Quarter 2025 Meeting
5 Minutes

6 [Ben Lorah, Executive Director, discussed the changes
7 to the identification of attendees and other minor
8 corrections and edits for clarity.]

9 CHAIR HIEBER:

10 All those in favor of approving the
11 minutes, say aye.

12 Any opposed? Okay. The motion
13 carries.

14 ***

15 New Business - Board Member Updates and Term Renewals

16 [Ben Lorah updated the Board on its member changes.

17 Governor Shapiro appointed Carrie A. Nace,

18 Legislative Director for the PA State Grange, for the

19 three-year term as representative of the Pennsylvania

20 Farm Bureau, Pennsylvania State Grange, and the

21 Pennsylvania Farmers Union. There were no other

22 vacancies.

23 Mr. Lorah stated there were two upcoming

24 expirations. Kevin Forsythe's four-year term for the

25 Alliance of Automotive Service Providers of PA and

1 the Petroleum Retailers and Auto Repair Association,
2 Inc., will be expiring on March 11, 2026. The three-
3 year term of Andy Greiner, Public Member, will be
4 expiring on March 14, 2026.]

5 ***

6 New Business - Annual Actuarial Review

7 [Charles Kullmann, Senior Consultant, AON, presented
8 the Actuarial Report evaluated as of June 30, 2025.
9 Mr. Kullmann noted the report will cover the loss
10 estimates, the pro forma estimates, and the financial
11 statements. The PA Tank Installers' Indemnification
12 Program (TIIP) will also be reviewed.

13 Mr. Kullmann noted the IT modernization project
14 will be completed in the next three years, which will
15 involve upgrading the various systems from a server
16 to a cloud-based system. He reported the main part
17 of the actuarial study estimates the loss and expense
18 reserves. There were no changes to the actuarial
19 models. Multiple actuarial models are used to
20 capture different aspects of the loss experience.

21 Mr. Kullmann stated the actuarial estimates were
22 closer to observed claim activity than in prior
23 years. He provided a thorough breakdown of claim
24 counts by year. He stated, in response to favorable
25 claim frequency and loss experience, their '25-'26

1 frequency projection lowered from 174 in last year's
2 review to 164, consistent with a three-and-a-half-
3 year average.

4 Mr. Kullmann addressed closed claims as being
5 closed more quickly and open claims were fewer, as
6 the actual expenses were approximately \$2 million
7 less paid than expected, which was favorable. He
8 presented a slide to the Board of loss and expense by
9 report year since its prior review. He claimed the
10 Board's prior year's review was lowered by \$18
11 million. He stated this year it was lowered by \$5.7
12 million.

13 He stated the Board could compare its ultimate
14 loss to revenue. The surplus was approximately \$200
15 million at June 30, 2024. It is now \$258 million.
16 The pro-forma estimates are consistent with the
17 projections. As in prior reviews, trends are applied
18 to these assumptions. The trends are applied to our
19 '25-'26 selections to establish the future
20 underwriting projections. This fund, he stated, is
21 adequately funded through the 10-year period. Total
22 income is expected to be greater than zero throughout
23 the period as well. The outlook improved a bit, with
24 a couple more years with positive underwriting
25 income.

1 He reviewed a slide with additional pro forma
2 costs and assumptions. He advised the data was
3 assembled to create the pro forma financial
4 statements. The Board's requirement is met, and no
5 rate change would be needed. A more stringent
6 approach concluded there would be no decrease in
7 surplus during the next 10 years. No rate change is
8 needed under that alternative requirement either.

9 Mr. Kullmann stated the data for TIIP changed
10 very little in the last 12 months; no new open claims
11 and no claims were closed. There was still the
12 projection of a positive underwriting income
13 throughout the 10-year projection period. The
14 outlook was good and, in general, improved.]

15 CHAIR HIEBER:

16 Do we have any questions from the
17 Board?

18 Is there a motion to accept AON's
19 actuarial report?

20 MS. CATARINO:

21 So moved.

22 MS. SLAYMAKER:

23 Second.

24 CHAIR HIEBER:

25 Thank you. All in favor, say Aye. No?

1 revenue recognition due to error or fraud. She
2 advised that there was nothing in the way of fraud or
3 override of controls that the Board needed to be
4 worried about. She continued with stating there were
5 no unusual transactions or difficulties, and the
6 Board's management representation letter was
7 received. With regard to the Board's financial
8 statements, she noted an unmodified opinion. The
9 definition of an unmodified opinion is the highest
10 level of assurance in the independent auditor's
11 report.

12 She stated their assets for the year ended were
13 \$513 million, and the Board's payables were \$13
14 million. Total revenue for the year is \$96 million.
15 Expenditures broken out came to \$43 million. So, she
16 added, revenues exceeded expenditures by \$53 million.

17 She stated the Treasury maintains most of their
18 investments; they have some payables due to other
19 obligations and their restricted fund balance broken
20 out. She stated no material weakness or significant
21 deficiencies were identified.]

22 ***

23 CHAIR HIEBER:

24 Hearing no questions, is there a motion
25 to accept the independent financial

1 audit?

2 MS. CATARINO:

3 So moved.

4 MR. GREINER:

5 Second.

6 CHAIR HIEBER:

7 Thank you. All those in favor, say
8 Aye.

9 Opposed, say no. Hearing none,
10 the motion carries.

11 ***

12 New Business - DEP Special Funding Request

13 [Kris Shiffer, Department of Environmental

14 Protection, presented on three allocation requests.

15 Mr. Shiffer requested allocation under the

16 Underground Storage Tank Environmental Cleanup

17 Program. DEP may request up to \$5.5 million annually

18 from the Underground Storage Tank Identification Fund

19 to conduct corrective actions associated with

20 underground storage tank systems. He noted that DEP

21 is requesting \$2.3 million for the fiscal year

22 starting July 1, 2026, and no supplemental allocation

23 for the current fiscal year.

24 Mr. Shiffer then reviewed the Pollution

25 Prevention Grant program, which encourages owners of

1 six or fewer underground storage tanks to remove
2 environmental threats. The Storage Tank and Spill
3 Prevention Act authorizes up to \$350,000 annually for
4 this allocation. For the fiscal year starting July 1,
5 2026, DEP is requesting no allocation other than
6 authorization to expend unexpended prior year
7 allocations. DEP is also requesting no supplemental
8 allocation for the current fiscal year.

9 Mr. Shiffer lastly requested allocation for the
10 Investigation, Closure, Compliance, and Enforcement
11 Costs. The DEP request is for \$7 million to
12 reimburse DEP for costs related to investigating,
13 determined responsibility, overseeing remediation,
14 etc. They are requesting no supplemental allocation
15 for the current fiscal year. He advised that DEP
16 requests the Board to approve an allocation of \$7
17 million for the fiscal year starting July 1, 2026,
18 and to approve expending any unused allocations for
19 the prior year. For the fiscal year 2026-'27, DEP is
20 requesting the Board approve allocations totaling
21 approximately \$9.3 million of the \$12.85 million the
22 Storage Tank and Spill Prevention Act authorizes.]

23 CHAIR HIEBER:

24 Do we have any questions from the
25 Board?

1 Mr. Lorah went into detail involving how each
2 requirement would be processed.]

3 CHAIR HIEBER:

4 Hearing none, is there a motion to
5 approve the Board DEP allocation and
6 upgrade loan report to the General
7 Assembly?

8 MS. CATARINO:

9 I'll move.

10 MS. SLAYMAKER:

11 Second.

12 CHAIR HIEBER:

13 Thank you. All those in favor, say
14 aye.

15 Opposed? Hearing none, the motion
16 carries.

17 ***

18 CHAIR HIEBER:

19 Is there a motion to approve the annual
20 fee evaluation report to the General
21 Assembly?

22 MS. SLAYMAKER:

23 I'll move.

24 MS. CATARINO:

25 Second.

1 CHAIR HIEBER:

2 Very good. All those in favor, say
3 aye.

4 Opposed? Hearing none, the motion
5 carries.

6 ***

7 New Business - Additional Regulatory Amendments

8 [Ben Lorah presented on a proposal for additional
9 regulatory amendments. He discussed undertaking a
10 modernization of their current regulatory framework.
11 He requested that the Board codify their existing
12 USTIF bulletins and practices and propose additional
13 regulations based on a study of nationwide best
14 practices for remediation cost controls and program
15 efficiencies.]

16 Mr. Lorah suggested this would place the Board in
17 a position to continue to ensure that it can pay its
18 current and future claims for participants.]

19 CHAIR HIEBER:

20 Hearing none, is there a motion to
21 authorize USTIF to codify the existing
22 USTIF bulletins and practices and
23 propose additional regulations based on
24 a study of nationwide best practices
25 for remediation costs and controls?

1 MS. SLAYMAKER:

2 I'll move.

3 MR. GREINER:

4 Second.

5 CHAIR HIEBER:

6 All those in favor say, aye.

7 Opposed? Hearing none, the motion
8 carries.

9 ***

10 New Business - Board Meeting Dates for 2026

11 [Ben Lorah announced the proposed 2026 Board meeting
12 dates as follows: March 19, June 18, September 10
13 and December 10. These meetings will be held in a
14 hybrid manner.]

15 CHAIR HIEBER:

16 Is there a motion to approve the
17 meeting dates?

18 MR. GREINER:

19 I make a motion to approve the meeting
20 dates as presented.

21 MS. SLAYMAKER:

22 Second.

23 CHAIR HIEBER:

24 All those in favor say, aye.

25 Opposed? Hearing none, the motion

1 carries. Those will be the meeting
2 dates.

3 ***

4 Administrative Items - USTIF Claims Summary

5 [Ben Lorah announced to the Board, since its last
6 meeting, Amy Forbes-Witt, their Claims Manager,
7 accepted a position at the Insurance Property
8 Casualty Market Division.

9 Mr. Lorah stated there were 114 claims as of the
10 end of November 2025. He stated they were down 30
11 claims from last year at this time. 121 claims had
12 been closed for the year thus far. Over \$27 million
13 had been paid with an average cost of claim around
14 \$225,000, down slightly lower than this time last
15 year. He advised there was still a backlog of old
16 claims that needed to be resolved.]

17 ***

18 Administrative Items - DEP Pollution Prevention Grant
19 Program Statistics

20 [Kris Shiffer, Department of Environmental
21 Protection, informed the Board that under the
22 Pollution Prevention Grant Program for the current
23 fiscal year beginning July 1, 2025, no grants had
24 been approved and no applications were currently
25 pending. Since the program's inception on January

1 30, 1998, 1159 grants were approved totaling over
2 \$5.9 million.]

3 ***

4 Administrative Items - DEP Environmental Cleanup
5 Program Statistics

6 [Mr. Shiffer informed the Board that under the
7 Environmental Cleanup Program for the current fiscal
8 year that began on July 1, 2025, DEP expended
9 approximately \$434,000 of the approved allocation.]

10 ***

11 Administrative Items - USTIF Administrative
12 Operations

13 [Mr. Lorah addressed the potential impact of the '25-
14 '26 budget, USTIF's proposed amendments to the Tank
15 Act, and USTIF's new mission statement.

16 He stated the Pennsylvania budget passed on
17 November 12, 2025. The General Assembly granted the
18 Governor's Office the authority to transfer \$670
19 million from special funds, USTIF being a part of
20 that. As of now, they do not know whether USTIF will
21 be included in that fund transfer. He stated another
22 portion of the amendments included in the budget
23 legislation was a transfer of \$100 million special
24 fund interest to the General Fund. The special fund
25 definition for this particular section excludes

1 special funds and restricted accounts that support
2 programs administered by the DEP or Department of
3 Conservation and Natural Resources. USTIF does play
4 a part in transferring to DEP through the
5 allocations. At this time, however, it is not known
6 if either section will result in a budget transfer
7 from USTIF.

8 Mr. Greiner suggested to Mr. Lorah that the audit
9 report needs to be restated to outline the risk of
10 having the monies in the fund taken by the state for
11 the general budget. Mr. Lorah stated this would be
12 incorporated in the next analysis. Mr. Greiner
13 responded that this should be mentioned as a
14 potential risk in all actuarial and audit reports.

15 Mr. Lorah discussed the Tank Act amendments. He
16 stated that the Environmental Cleanup Program and the
17 Pollution Prevention Program are set to expire in
18 December 2027. They are taking the opportunity to
19 fix some minor items in the Tank Act. One item is
20 amending one of the Board member descriptions. The
21 second is to reflect current House Committee names
22 for providing their annual report.

23 Mr. Lorah noted an updated mission statement. He
24 stated the Board would be seeing it in their annual
25 report. Mr. Lorah also briefly stated some

1 additional operational updates.

2 He stated the FBS was created in 2017, and it was
3 due for an upgrade that provides more flexibility in
4 their operations. He stated that part of their new
5 contract is conducting a tank type and configuration
6 study that is required by statute. One of the items
7 being worked on with ICF is to close out the Upgrade
8 Loan Program as it had not been active since 2010.
9 Mr. Lorah discussed discovering loose mortgages in
10 the Commonwealth and will be working to make certain
11 these mortgages are satisfied.

12 He noted a couple of research projects and
13 exploring the potential of working with Penn State's
14 Earth and Environmental Institute to take a look at
15 their claims data.]

16 ***

17 Administrative Items - USTIF Financial Statements
18 [Mr. Lorah announced, at the close of the third
19 quarter, the fund balance was \$512 million, and based
20 on their projections for 2026, the fund might hit the
21 five-year average for income. The environmental
22 cleanup and investigation and closure costs have
23 increased slightly. Their actuarial liabilities
24 decreased again year over year.]

25 ***

1 Unfinished Business - Chapter 977 Regulation Revision
2 Update

3 [Preston Buckman, Board Counsel, reported that the
4 Independent Regulatory Review Commission (IRRC) at
5 its November 20, 2025, meeting approved their final
6 form regulation. He advised that the only remaining
7 step is approval by the Office of Attorney General.
8 Upon their approval, the regulation will be
9 published. Mr. Buckman asserted that their goal was
10 to complete this by the end of year, and he believed
11 they had largely accomplished that.]

12 ***

13 Unfinished Business - Board Member Handbook

14 [Ben Lorah reported on the Board Member Handbook. He
15 noted the edits to the handbook per the discussion at
16 the last meeting, which were now in final form. He
17 advised the final draft will be distributed to the
18 Board for their reference.]

19 ***

20 CHAIR HIEBER:

21 If there is no objection, this meeting
22 will be adjourned.

23 Hearing none, I declare this
24 meeting adjourned. Thank you.

25 ***

1 [There being no further business, the Underground
2 Storage Tank Indemnification Board's Fourth Quarter
3 Board Meeting adjourned at 11:09 a.m.]

4 ***

5
6
7 CERTIFICATE

8
9 I hereby certify that the foregoing summary
10 minutes of the Underground Storage Tank
11 Indemnification Board Meeting, was reduced to writing
12 by me or under my supervision, and that the minutes
13 accurately summarize the substance of the Underground
14 Storage Tank Indemnification Board Meeting.

15
16
17 

18 Rachel Wilbur-Adams

19 Minute Clerk

20 Sargent's Court Reporting
21 Service, Inc.

1 UNDERGROUND STORAGE TANK INDEMNIFICATION BOARD
2 FOURTH QUARTER BOARD MEETING
3 REFERENCE INDEX
4

5 December 11, 2025
6

7 TIME

AGENDA

8
9 10:00 Official Call to Order
10
11 10:01 Roll Call/Introductions
12
13 10:08 Approval of Minutes
14
15 10:11 New Business - Aon Presentation
16
17 10:28 New Business - Z. Axelrod Presentation
18
19 10:42 New Business - General Assembly Reports
20
21 10:50 Administrative Items
22
23 11:07 Unfinished Business
24
25 11:09 Adjournment
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