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Kay Ivey
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September 22, 2026

MEMORANDUM

TO: Alabama Tank Trust Fund Response Action Contractors

RE: **Revised Maximum Allowable Labor Rates** Alabama Underground and Aboveground Storage Tank Trust Fund Effective Date – October 1, 2026

The Department has established new maximum allowable labor rates for work performed on or after October 1, 2026, at Tank Trust Fund eligible sites.

The maximum allowable labor rates for work performed are as follows:

LABOR CATEGORY	HOURLY RATE
Alabama Licensed Professional Geologist	$158
Alabama Registered Professional Engineer	$158
Project Manager	$129
Staff Geologist	$115
Staff Engineer	$115
Staff Scientist	$107
Technician	$95
Draftsperson	$80
Administrative Assistant/Clerical	$65

A maximum 10% pass-through for allowable system related invoices/bills from entities not associated with the Approved Alabama Tank Trust Fund Contractor. The Department has prepared an updated "Alabama Underground and Aboveground Storage Tank Trust Fund Reimbursement and Reasonable Rate Guidance," dated October 2026. This updated guidance will be available on the Department's website under the UST Program, Tank Trust Fund Section.

Since the cost proposals which have already been prepared or will soon be prepared are in various stages of preparation and implementation, please note the following guidelines which discuss various scenarios regarding cost proposal/payment request issues.

Cost Proposals to Be Submitted to ADEM:

Effective immediately, Trust Fund Contractors may begin using the revised labor rates for preparing cost proposals for labor to be performed.

Cost Proposals Submitted but not yet approved by ADEM:

For cost proposals already received by the Department and not yet approved, the labor rates will be modified by the UST Corrective Action staff to reflect the recently revised rates.

Previously approved cost proposals that will include labor charges on or after October 1, 2026, where the associated payment request has not yet been submitted:

For those cost proposals previously approved that will be implemented on or after October 1, 2026, the revised rates can be utilized and can be included in a future associated payment request.

The use of these revised rates may cause the payment request to exceed the previously approved cost proposal amount. Where an exceedance is due solely to the use of the higher rates, an addendum will not be necessary to be submitted.

Revised Unit Rate Cost Proposal and Payment Request Forms:

The Department has prepared a new draft Unit Rate Cost Proposal and Payment Request Forms to reflect the changes included in this memorandum. The form "Alabama Tank Trust Fund Forms 31 and 32 October 2026 M10 DRAFT" will be made available upon request.