

**REVENUE: No revenue impact**

**FISCAL: Fiscal statement issued**

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed
<b>Vote:</b>	5 - 0 - 0
<b>Yeas:</b>	Atkinson, Bates, Beyer, Prozanski, Avakian
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Sue Marshall, Administrator
<b>Meeting Dates:</b>	2/08

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**WHAT THE MEASURE DOES:** Increases fees assessed on certain vessels and on offshore facilities and onshore facilities for certain programs related to oil spills. Specifies that fees for nonself-propelled tank vessels are based on their capacity. Declares an emergency, effective on passage.

**ISSUES DISCUSSED:**

- Whether program should revert to U.S. Environmental Protection Agency
- Regulated industry's position
- Annual reporting to evaluate and forecast program costs

**EFFECT OF COMMITTEE AMENDMENT:** The amendment decreases the proposed fee increase amounts: cargo and passenger vessels from \$80 to \$70; vessels with less than 25,000 barrels from \$70 to \$60, vessels with 25,000 to 99,999 barrels from \$80 to \$70; vessels with 100,000 or more barrels from \$70 to \$60; self-propelled vessels of 300 gross tons or less from \$1,350 to \$1,200; offshore and onshore facilities from \$7,000 to \$5,900; and dredge vessels from \$40 to \$36. Directs DEQ to annually review fees and produce a report that includes a summary of department activities. Defines "liquefied natural gas."

**BACKGROUND:** The Oregon Legislature passed the Oil Spill Prevention Act in 1991. This program is implemented by the Department of Environmental Quality (DEQ), which reviews and approves spill prevention and response plans, leads or participates in response drills, and works with federal, local, and other state governments to ensure a quick and coordinated response to marine spills. The program is funded by fees from vessels and barges that transport large quantities of petroleum and by large facilities that transfer petroleum by pipeline over water.

Senate Bill 105-A increases the fees assessed by the Oil Spill Prevention program. The fees were last increased in 2001. The program was originally funded to support 4.0 full-time positions (FTE) and was reduced in 2001 to 3.35 FTE. With the proposed fee increase, DEQ believes it can provide the originally planned level of service with 2.95 FTE.

2/14/2007 8:21:00 AM

*This summary has not been adopted or officially endorsed by action of the committee.*