

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action: Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by Prior Reference

Vote: 4 - 0 - 1

Yeas: George, Schrader, Starr, Metsger

Nays: -

Exc.: Verger

Prepared By: Jim Stenbridge, Administrator

Meeting Dates: 1/22, 3/4

WHAT THE MEASURE DOES: Increases license, renewal, and per-customer fees of nonretail fuel facilities beginning July 1, 2009. Reduces minimum annual purchase from current 900 gallons to 500 gallons. Reduces annual audit requirement from five percent of facilities to 2.5 percent of facilities. Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- Work of the Office of State Fire Marshal cardlock advisory committee
- Incremental increases and history of program fee increases
- Financial aspects of program administration and specifics of the over-all program budget
- Activities and services of the program and instances and nature of safety violations found
- Business access to cardlock facilities
- Focus on the program's safety aspects

EFFECT OF COMMITTEE AMENDMENT: Reduces minimum annual purchase to 500 gallons. Reduces annual audit requirement from five percent of facilities to 2.5 percent of facilities.

BACKGROUND: The nonretail fuel ("cardlock") program, regulated by the Office of State Fire Marshal within the Department of State Police, authorizes qualified customers to dispense gasoline at licensed cardlock facilities. According to the Office of State Fire Marshal, SB 88-A ensures continued direct services to cardlock facilities, such as records and facility inspections, by increasing funding to avoid an imminent budget shortfall in the 2009-11 biennium.

SB 88-A modifies facility license and customer fees in two steps during the 2009-11 biennium. The facility license application and facility license renewal fee is increased from \$250 to \$300, and the annual per-customer fee is increased from \$5 to \$7.50 (beginning on July 1, 2009) to \$10 (beginning on July 1, 2010). Fee increases in SB 88-A, the first since the inception of the cardlock program in 1992, have the support of an Office of State Fire Marshal cardlock advisory committee.

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