

## Senate Bill 40: Maintain Heating Oil Tank Program



State of Oregon  
Department of  
Environmental  
Quality

### Summary

Senate Bill 40 will provide resources for the Oregon Department of Environmental Quality for oversight of the decommissioning and cleanup of underground heating oil tanks. Heating oil tanks store fuel for use as part of a heating system. Most heating oil tanks were installed underground at pre-1960 residential and commercial properties.

The DEQ Heating Oil Tank program is a third-party certification system. DEQ's work includes testing and licensing of service providers, keeping records of project data and status, providing guidance and technical assistance, reviewing reports and auditing service provider work.

### Threats to human health and environment

Underground heating oil tanks pollute soil and groundwater. Underground tanks are usually made of steel that corrodes and weakens to the point they can no longer hold fuel. Petroleum vapors can enter buildings and pollute indoor air. Groundwater contamination can ruin drinking water wells or pollute surface water. Heating oil includes a range of petroleum products containing various components that can cause both acute and chronic illnesses, including cancer. Reporting leaking tanks to DEQ is mandatory. Many heating oil tanks have leaked and DEQ established standards governing decommissionings and cleanups.



Through 2018, approximately 50,000 heating oil tanks have been reported to DEQ of an estimated 200,000 tanks that were installed underground in Oregon.

### Challenges

Revenue from current fees is inadequate for sufficient contractor assistance and auditing, limiting work to ensure projects meet environmental standards, protect homeowners from exposure to pollution, excess project costs and risk of fraud. Current staff levels allow only after-the-work desk reviews of less than half of the

projects, and severely limit guidance updates and outreach.

### Solution

SB 40 fully funds the program by increasing report filing fees and creating three fee levels connecting revenue to DEQ labor. Complex projects leave more contamination in place if site assessment shows no risk; intermediate and simple projects leave successively less contamination behind making cleanup certification easier. Phased license fee increases minimize impact on small businesses. SB 40 adjusts fees set over 10 years ago; license fees were established in 1999, and report filing fees were raised in 2007.

### Land Quality Division Heating Oil Tank Cleanup Program

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*DEQ is a leader in restoring, maintaining and enhancing the quality of Oregon's air, land and water.*

Table 1. Current and proposed fees by category.

Fees	Current	Proposed	# Projects in 2018
Report Filing Fees			
Clean Decommissioning	\$75/project	\$100/project	652
Cleanup Report	\$200/project	Tiered based on project type:	
		1) Simple: \$250	407
		2) Intermediate: \$350	287
		3) Complex: \$450	584
Total:			1930
Licensure Fees			# Fee Payers
Service Provider License	\$750/year	2020	\$800/yr
		2021	\$900/yr
		2022	\$1000/yr
Service Provider Supervisor License	\$75/year	\$100/year	112

### Consequences of not raising fees

Without a fee increase, DEQ efforts will decrease and Oregonians would experience:

- decreased oversight of heating oil tank service providers;
- no effective heating oil tank service provider inspections or audits;
- extended time to review reports.

**More about the program**

Most tanks are identified and checked during real estate transactions, necessitating quick project completion. A DEQ-licensed service provider completes a cleanup or decommissioning and submits a certification to DEQ. After review, DEQ issues a letter to the tank owner registering the contractor's certification. In calendar year 2018, 48 licensed contractors submitted 1,930 project certifications. Average file closure times are under two weeks and DEQ expedites projects involved in property transactions.

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**Alternative formats**

Documents can be provided upon request in an alternate format for individuals with disabilities or in a language other than English for people with limited English skills. To request a document in another format or language, call DEQ in Portland at 503-229-5696, or toll-free in Oregon at 1-800-452-4011, ext. 5696; or email [deqinfo@deq.state.or.us](mailto:deqinfo@deq.state.or.us).