

## SB 40 -1 STAFF MEASURE SUMMARY

### Senate Committee On Environment and Natural Resources

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**Prepared By:** Beth Patrino, LPRO Analyst

**Sub-Referral To:** Joint Committee On Ways and Means

**Meeting Dates:** 2/7, 2/19

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#### WHAT THE MEASURE DOES:

Modifies annual license and certification of decontamination fees for heating oil tank regulatory program: the annual business license fee from \$750 to \$\_\_\_\_, the annual individual license fee from \$75 to \$\_\_\_\_, the decommissioning certification fee from \$75 to \$\_\_\_\_, and the corrective action certification fee from \$200 to \$\_\_\_\_. Applies to fees assessed on and after January 1, 2020.

*Subsequent referral to Joint Ways and Means*

*Fiscal impact issued*

*No revenue impact*

#### ISSUES DISCUSSED:

- History of program
- Fee revenue not supporting full staffing of program
- Tiered fee proposal to recognize complexity of cleanup required
- Stakeholder group process

#### EFFECT OF AMENDMENT:

-1 Replaces measure. Increases annual license fee from \$750 to \$800 for 2020, \$900 for 2021, and \$1,000 for 2022 for businesses engaged in the heating oil tank service and \$100 for each individual employed by the business and charged with supervisory responsibilities. Increases filing fee for heating oil tank decommissioning certification from \$75 to \$100. Increases filing fee for certification of heating oil tank corrective action from \$200 to \$250 for a simple corrective action, \$350 for an immediate corrective action, and \$450 for a complex corrective action. Authorizes the Environmental Quality Commission to adopt rules defining simple, intermediate, and complex corrective actions. Applies to fees assessed on or after effective date of the Act.

#### BACKGROUND:

Leaking underground storage tanks can pose both environmental and health hazards. In 1999, the Oregon legislature enacted House Bill 3107, which required the Environmental Quality Commission to adopt a heating oil tank regulatory program to monitor the decommissioning of and corrective action taken on heating oil tanks. The Department of Environmental Quality administers Oregon's Underground Storage Tank (UST) Program. The UST Program handles issues related to tank registration and operating certificates; installation, operation and removal of USTs; cleanup of soil and groundwater contamination from petroleum leaks; training of system operators; financial liability protection for future leaks; licensing of contractors working on USTs; and enforcement of state UST rules.

Currently, the UST Program requires a \$750 annual license fee for any business engaged in heating oil tank services and a \$75 fee for each individual employed by the business who has supervisory responsibility to oversee the performance of tank services at a facility (ORS 466.868). Additionally, any person requesting certification of a heating oil tank decommissioning is required to pay a \$75 filing fee, and any person requesting certification of a

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heating oil tank corrective action is required to pay a \$200 filing fee (ORS 466.872).

Senate Bill 40 would modify heating oil tank program fees.

PRELIMINARY