

## **SB 643 -1 STAFF MEASURE SUMMARY**

### **Joint Committee On Ways and Means**

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**Prepared By:** Julie Neburka, Budget Analyst

**Meeting Dates:** 5/29

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#### **WHAT THE MEASURE DOES:**

Lifts cap on total amount of funds for Fuel Storage Facility Compatibility Grant program administered by the Office of Emergency Management. Declares emergency, effective on passage. Clarifies that funds appropriated to the Office of Emergency Management by the Emergency Board at its September 26, 2018 meeting be deposited into the Fuel Storage Facility Compatibility Grant Fund.

#### **ISSUES DISCUSSED:**

##### **EFFECT OF AMENDMENT:**

-1 The -1 amendment lifts the cap on grant award amounts from \$4,000 to \$10,000, and clarifies that funds appropriated to the Office of Emergency Management by the Emergency Board at its September 26, 2018 meeting shall be deposited into the Fuel Storage Facility Compatibility Fund.

##### **BACKGROUND:**

In a catastrophic disaster such as an earthquake along the Cascadia subduction zone, infrastructure and utilities, including electricity and liquid fuel lines, will be destroyed or incapacitated. Emergency response personnel may be limited to whatever fuel they have immediately on-hand, which could be exhausted within the first few days. Liquid fuel is stored in various facilities located across the state, in varying amounts, both above and below ground, and energy is needed to pump the fuel out. Many emergency response entities possess generators that could be used to pump fuel out of a storage facility, but not all generators are capable of connecting to all fuel storage tanks.

In 2016, Senate Bill 1523 was enacted as the result of work group activity that included private fuel companies, the Office of Emergency Management (OEM), and the Oregon Department of Transportation (ODOT). It enabled OEM to develop a grant program to target large-capacity fuel storage locations along critical transportation routes, and distribute funds to install connectors that are compatible with generators used by emergency service personnel during an emergency. Individual grants were limited to \$4,000 each, and the total amount of grant funds was capped at \$100,000. By the fall of 2018, 72 applications for grant funds were received from qualifying facilities; fuel storage locations in 25 cities were made compatible; and 47 applications remained. An appropriation of \$188,000 was made to satisfy the remaining applications, but OEM cannot execute until the \$100,000 cap is lifted.

Senate Bill 643 lifts the \$100,000 limit on funds to allow use of an appropriation to make remaining fuel storage locations compatible.