

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 792 - A

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office*Only Impacts on Original or Engrossed
Versions are Considered Official*Prepared by: Krista Dauenhauer
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Date: 5/30/2019**Measure Description:**

Removes exemption of auto dismantlers holding dismantler certificate from definition of "disposal site" for purposes of solid waste management regulation by Department of Environmental Quality.

Government Unit(s) Affected:

Oregon Department of Transportation (ODOT), Department of Environmental Quality (DEQ)

Summary of Fiscal Impact:

Costs related to the measure will require budgetary action - See analysis.

Summary of Expenditure Impact:

	2019-21 Biennium	2021-23 Biennium
DEQ - Other Funds	Indeterminate	Indeterminate
ODOT - Other Funds	160,183	201,254
Total Funds	\$160,183	\$201,254
Positions	1	1
ODOT - FTE	0.75	1.00

Summary of Revenue Impact:

	2019-21 Biennium	2021-23 Biennium
DEQ - Other Funds	Indeterminate	Indeterminate
ODOT - Other Funds	-29,600	138,300
Total Funds	-\$29,600	\$138,300

Analysis:

The legislation changes the current Oregon Department of Transportation (ODOT) dismantler certificate from a three-year certification period to a one-year period and lowers the fee from \$800 to \$500. ODOT is authorized to inspect any business issued a certificate and submit reports to the Department of Environmental Quality (DEQ) if certain items are on the business premises. ODOT must reduce the number of inspections to once every two years if the most recent three consecutive inspections have shown compliance. Certificate applications or renewal applications must include a fire response plan approved by ODOT and proof of any applicable permits required by DEQ. ODOT may impose sanctions on certificate holders for conviction of offenses under specified environmental crime statutes. Dismantler businesses are also required to have annual inspections by local fire inspectors and furnish a written report to ODOT. Local governments are required to notify all property owners that are or will be adjacent to a dismantling business before the business moves, expands, or opens an additional location prior to issuing the supplemental certificate. There are 229 existing auto dismantlers in Oregon with DMV certificates.

Department of Environmental Quality (DEQ)

Currently, waste tire storage facilities pay an annual compliance fee of \$250, with a \$250 application fee, to DEQ. The Department anticipates that this legislation will result in increased permit applications related to waste tires,

yet the number of permits and therefore the increase in associated fee revenue is unknown. The agency requests additional personnel to handle the potential workload associated with the increase in permits however since the total workload cannot be accurately projected, the agency may return to an Emergency Board on Interim meeting of the Legislative Assembly to request additional position authority once the increase in permits and permit revenue is demonstrated.

Department of Transportation (ODOT)

To process the increased number of inspections ODOT requires one permanent Compliance Specialist 2 investigator (0.75 FTE) at a cost of \$123,218 personal services and \$36,965 services and supplies; for a total of \$16,183 OF in the 2019-21 biennium; and (1.00 FTE) a total of \$201,254 OF in the 2021-23 biennium. Additionally, the agency will incur costs related to reprogramming of information technology and building interfaces with fire inspector and DEQ databases; the agency anticipates this could require up to 240 hours of work by existing staff.

Revenues to ODOT are anticipated to reduce by \$29,600 in the 2019-21 biennium due to the initial transition from an \$800 3-year permit to a \$500 annual permit, and increase by \$138,300 in the 2021-23 biennium.