

ANALYSIS

Item 13: Department of the State Fire Marshal Hazardous Materials Emergency Preparedness

Analyst: Katie Bannikov

Request: Approve, retroactively, the submission of a federal grant application to the U.S. Department of Transportation in the amount of \$1,451,495 to support hazardous materials emergency preparedness.

Analysis: The Hazardous Materials Emergency Preparedness (HMEP) grant is a formula grant that provides funding to states, territories, and tribes for developing, improving and carrying out emergency plans. Additionally, the grant provides the ability to implement training and planning programs to the local level depending on the location's demographics, emergency response capabilities, commodity flow and hazard analysis. The program was created in 1990 and is funded by registration fees collected from intra- and interstate hazardous materials shippers. The State Fire Marshal has received this grant continuously since the 1990s.

The fiscal year 2025 HMEP grant is competitive, with \$32 million in funding made available May 19, 2025, for a 36-month performance period beginning October 1, 2025. The Department plans to pass through approximately 45% of funding to local emergency agencies through a sub-grantee program. Remaining grant funds would be utilized to pay for travel, instructors and training materials for conferences and training around the state for local emergency responders and planners. This would increase the effectiveness of hazardous materials preparedness and encourage a comprehensive approach to emergency training and planning which conforms to direction provided to the State Fire Marshal in statute.

The grant requires a 20% match, which would total \$362,873 of the amount applied for. This amount is anticipated to be met by local emergency agencies providing 20% match of their sub-grant award, with DSFM providing the remaining amount through existing in-kind personnel costs.

The grant application was due June 20, 2025, with grant awards expected to be announced in September 2025 for a three-year period of performance. The Department provided notice of the grant availability in May, but did not receive timely approval to submit the required 10-day letter to the Legislature. If successful, the agency may need to return to the Legislature for additional Federal Funds expenditure limitation.

Recommendation: The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means approve the request.

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Department of the State Fire Marshal
Bennett

Request: Retroactive authorization for the Department of the State Fire Marshal to apply for a \$1,451,495 Hazardous Materials Emergency Preparedness formula grant from the U.S. Department of Transportation Pipeline and Hazardous Material Safety Administration.

Recommendation: Approve the request.

Discussion: The Department of the State Fire Marshal (DSFM) is requesting retroactive authorization to apply for the FY 2025 Hazardous Materials Emergency Preparedness (HMEP) formula grant through the U.S. Department of Transportation's Pipeline and Hazardous Material Safety Administration (PHMSA). The goal of the HMEP program is to assist states, territories, and Native American tribes in the developing, improving, and carrying out emergency plans within the National Response System and the Emergency Planning and Community Right to Know Act of 1986. The program provides grantees with the flexibility to implement training and planning programs that address the differing needs of each location based on demographics, emergency response capabilities, commodity flow studies, and hazard analysis. DSFM has regularly applied for and received funds through the program.

If approved, DSFM intends to use most of the funds to support local emergency agencies through a subgrant program. Funds will be used by local agencies to attend and host training events, conduct scenario exercises, and to develop or update emergency plans.

The grant requires an in-kind or cash match of \$362,873, which the agency can support through internal staffing resources that support the grant program, as well as through the staff time of the subgrantees.

Final award decisions are expected from PHMSA in September 2025, with the performance period beginning on October 1, 2025. If awarded, DSFM will need to request additional Federal Funds expenditure limitation.

The application was due June 20, 2025. DSFM was made aware of the grant opportunity on May 20, 2025, and submitted the request notice to the legislature on June 20, 2025. The delay in sending notice was due to the need for additional review updated terms and conditions for the grant related to immigration. Oregon, along with several other states, prevailed in getting immigration conditions that ran against Oregon law withdrawn through a court order issued on June 19, 2025.



Oregon

Tina Kotek, Governor

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August 28, 2025

The Honorable Senator Kate Lieber, Co-Chair
The Honorable Representative Tawna Sanchez, Co-Chair
Interim Joint Committee on Ways and Means
900 Court Street NE, H-178
Salem, OR 97301

Dear Senator Lieber and Representative Sanchez:

Nature of the Request

The Department of the State Fire Marshal (DSFM) respectfully requests retroactive approval to apply for the U.S. Department of Transportation, Pipeline and Hazardous Material Safety Administration (PHMSA), Office of Hazardous Materials Safety for the 2025 Hazardous Materials Emergency Preparedness (HMEP) Formula Grant in the total amount of \$1,451,495.

Agency Action

The goal of PHMSA's Hazardous Materials Emergency Preparedness Formula Grant Program is to assist states, territories, and Native American tribes to develop, improve, and carry out emergency plans within the National Response System and the Emergency Planning and Community Right-To-Know Act of 1986. It allows grantees the flexibility to implement training and planning programs that address differing needs for each location based on demographics, emergency response capabilities, commodity flow studies, and hazard analysis.

The DSFM intends to pass through the majority of the HMEP formula grant funds to local emergency agencies through a subgrantee program. The purpose of the subgrantee program is to increase effectiveness in safety and efficiency handling hazardous materials transportation accidents and incidents, enhance implementation of the Emergency Planning and Community Right-to-Know Act of 1986, and encourage a comprehensive approach to emergency training and planning by incorporating the unique challenges of responses to transportation situations.

Developing comprehensive approaches to emergency planning and training in response to hazardous materials transportation-related situations remains a priority for the DSFM. Specifically, ORS 453.347 directs the state fire marshal to assist with emergency response planning by appropriate agencies of government at the local, state, and national levels to assure that the response to a hazardous substance fixed site or transportation accident is swift and appropriate to minimize damage to any person, property, or the environment. Funding from this federal grant opportunity, if approved, will assist the state fire marshal with achieving this statutory required objective.

It is anticipated that grant funds will be used by local agencies for attending and hosting training/workshops, conducting scenario exercises, and developing or updating emergency plans.

The grant does require an in-kind or cash match in the amount of \$362,873. Multiple DSFM staff support the grant, and we track staff time for the match. Additionally, many subgrantees also contribute significant staff time by participating in grant activities, which is also documented and reported as match.

No additional positions or FTE are needed if the grant application is approved. The DSFM will need additional federal funds limitation in the amount of \$773,832.

Final award decisions will be made by the Secretary of Transportation. PHMSA plans to make awards in September 2025, with a performance start date of October 1, 2025. The award period is for 36 months, from October 1, 2025 – September 30, 2028. The deadline to submit the application was June 20, 2025.

Action Requested

The Department of the State Fire Marshal respectfully requests retroactive approval to apply for the U.S. Department of Transportation, Pipeline and Hazardous Material Safety Administration (PHMSA), Office of Hazardous Materials Safety for the 2025 Hazardous Materials Emergency Preparedness (HMEP) Formula Grant. DSFM will need to return and request additional federal funds expenditure limitation if the grant is awarded.

Legislation Affected

None.

Thank you for your time and consideration.

Sincerely,



Mariana Ruiz-Temple
State Fire Marshal
Department of the State Fire Marshal

CC Amanda Beitel, Legislative Fiscal Officer
 Kate Nass, Chief Financial Officer
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