

March 6, 2025

**TO:** House Committee on Emergency Management, General Government and Veterans

**FR:** Sharla Moffett, Oregon Business & Industry

**RE:** HB 2151

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Chair Tran and Members of the Committee:

For the record, my name is Sharla Moffett, senior policy director for Oregon Business & Industry (OBI).

OBI is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. In addition to being the statewide chamber of commerce, OBI is the state affiliate for the National Association of Manufacturers and the National Retail Federation. Our 1,600 member companies, more than 80% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

OBI opposes HB 2151. The regulatory program that resulted from the passage of HB 1567 in 2022 is already a very substantial regulatory obligation for fuel terminals. In addition to myriad regulatory requirements, there are also extremely substantial fees levied on fuel terminals for the privilege of being regulated.

These include (and I am reading from :

- A Seismic Vulnerability Submittal Fee of \$39,000
- A Risk Mitigation Implementation Plan Submittal Fee of \$36,000
- An annual compliance fee that is \$23,000 in year one in the program, but after that is \$50,000 per year for the annual compliance fee.
- \$5,000 if a fuel terminal wishes to modify its Risk Mitigation Implementation Plan.

It's also worth underscoring that this is just one of many, many regulatory programs that fuel terminals must comply with.

We're concerned that there is no new revenue going into the Seismic Mitigation Fund, yet we are expanding who may receive the money.

The original bill earmarked these funds for:

- DEQ to carry out reviews of the Seismic Risk Mitigation Implementation Plans and Seismic Risk Assessments they receive from companies; and

- Providing grants or other financial assistance to operators of bulk oils and liquid fuel terminals for the purpose of hardening facilities.

HB 2151 expands eligible fund recipients to include state and local government agencies, businesses or individuals to plan and prepare for the consequences of an earthquake...generally. Businesses should not be paying for programs that have nothing to do with them.

With no new revenue and expanding eligible recipients, we are concerned that the very substantial fees paid by fuel terminals will be redirected to a variety of purposes that have nothing to do with the terminals themselves. If we oversubscribe a program that is currently dedicated to funding DEQ's work and hardening fuel facilities to protect human health and the environment, it will not be successful.

OBI urges the committee to prioritize these funds for their original purposes and resist mission creep that will almost surely result in failure to achieve the goals of the original bill, SB 1567.

Thank you.

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