2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 3123 **STATUS:** Original
SUBJECT: Prohibits releasing of hazardous substances by passenger vessels
GOVERNMENT UNIT AFFECTED: Department of Environmental Quality
PREPARED BY: Dawn Farr
REVIEWED BY: Paul Siebert
DATE: April 1, 2009

		2009-2011
EXPENDITURES:		
Personal Services – General Funds (GF)	$	75,716
Services and Supplies – GF	$	15,143
Central Administration Charges – GF	$	13,000
Total GF Expenditures	$	103,859

REVENUE:
See Comments.

POSITIONS / FTE:
Natural Resource Specialist 4 1/0.5

EFFECTIVE DATE: January 1, 2010

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: The bill prohibits owner or operator of a passenger vessel from releasing or directing release of hazardous material or sewage into the Pacific Ocean within the territorial sea limits; requires notification to the Department of Environmental Quality (DEQ) not less than 24 hours after any release; and authorizes the DEQ director to impose a $25,000 civil penalty for violation.

DEQ indicates that the bill establishes a new area of regulation, and that the Department will need to get authorization from the Environmental Protection Agency (EPA) prior to implementation. The EPA approval process requires submission of a comprehensive application and coordination throughout the process. The bill requires that DEQ adopt rules and establish a mechanism for receiving reports and responding to potential violations. DEQ estimates that to set-up this new program they will need a limited duration Natural Resource Specialist 4 position full-time for one year during the 2009-2011 biennium. Expenditures for this position are estimated to be $103,859 General Funds. Once the program is established, DEQ anticipates that ongoing compliance and enforcement work can be assumed with existing resources.

The bill authorized DEQ to impose a civil penalty of $25, 000 for violations. Potential General Fund revenue that may result from future civil penalties is indeterminate.